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The Global Newspaper Edited and Published in Paris

INTERNATIONAL Herald Tribune

Academy... 1.200 Franc... 2.000 Franc...

No. 34,219

9/98

Published With The New York Times and The Washington Post

PARIS, SATURDAY-SUNDAY, MARCH 6-7, 1993

ESTABLISHED 1887

U.S. Arrests 3 More in Trade Center Blast

NEW YORK — The FBI announced three more arrests on Friday in connection with the World Trade Center bombing...

Where did the explosives come from? Did he have ties to domestic or international terrorists? Was he a dupe for others?

U.S. Shows Vitality As New Jobs Surge

365,000 Posts Added in Month

By Tom Redburn International Herald Tribune

Largely putting to rest fears that the American economic recovery is on the verge of faltering, the U.S. government reported Friday that the nation's employers added 365,000 payroll jobs in February...

Key Rate Cut In Germany

Surprise Move Aids Franc and the EMS

By Brandon Mitchener International Herald Tribune

FRANKFURT — Only a day after leaving its official interest rates unchanged, the Bundesbank on Friday surprised financial markets by sharply reducing a key market rate...

Islamic Militants to Target Foreigners in Egypt

By Chris Hedges New York Times Service

CAIRO — A militant Islamic organization, which has taken responsibility for a series of attacks on foreign tourists in Egypt...



Sheikh Omar Abdel Rahman, the cleric at the New Jersey mosque where the bombing suspect apparently worshipped. Page 4.

In China Backwater, a History Lesson for Hong Kong

By Nicholas D. Kristof New York Times Service

WEIHAI, China — As Hong Kong puzzles over its prospects after it is swallowed by China in 1997, there is no better reminder of the risks that lie ahead than the drab, bicycle-filled streets of this wind-swept town...

declared that it would leave Weihai's civil servants in place, retain Weihai's regulations and low tax rates, and allow it to be ruled as a "special administrative region" directly under the central government.

their faces fall and they look reproachfully at a visitor who suggests that the worst nightmare of the residents of Hong Kong is that their colony will turn into another Weihai.

that could be used as port communities and naval bases: the New Territories, which make up most of present-day Hong Kong, and Weihai, 1,170 miles (1,883 kilometers) to the north-east.

Clinton Plans to Tighten The Embargo on Serbia

By Gwen Ifill New York Times Service

WASHINGTON — President Bill Clinton led a coordinated defense Friday of White House efforts to provide humanitarian aid to eastern Bosnia and promised to further tighten sanctions against the delivery of oil and other supplies to Serbia.

ment of the compromise proposed by UN negotiators. "I think it will be very interesting for the world to look and see if the Serbians are willing to negotiate in good faith in a process that they have embraced when it suited their short-term strategic interests," Mr. Clinton said.

Clinton Ready to Discuss Russia Aid

WASHINGTON (Combined Dispatches)

President Bill Clinton said Friday he would hold a "business-like meeting" with President Boris Yeltsin of Russia in Vancouver on April 3 and 4 and would be prepared to discuss increasing aid to Russia.

The U.S. administration also hopes the meeting will give Mr. Yeltsin a boost just a week before the Russian parliament is expected to act on a referendum to decide on the allocation of power between Mr. Yeltsin and the parliament. (Page 2) (Reuters, AP)

Johnson Banned for Life for 2d Drug Offense

PARIS — The Canadian sprinter Ben Johnson, who was stripped of an Olympic gold medal because he had used steroids, was banned for life on Friday by the International Amateur Athletic Federation for General News

failing a drug test for the second time in five years. Johnson was automatically suspended for life pending a hearing with the Canadian federation. (Page 21.)

The bestaged cult in Texas has enough supplies to hold out for months. Page 4. A watercolor show in London focuses on a moment of perfection. Page 9.

A Congress of 'All Shapes and Hues' Jars the Old Boys

By Maureen Dowd New York Times Service

WASHINGTON — The young black woman with the gold sneakers, slacks, braided hair and Mickey Mouse watch stepped into the elevator in the Capitol.

Atlanta with uncommon poise and a decidedly unpinstriped wardrobe. The splashes of gold and pink and red brightening the monochromatic landscape of Capitol Hill are emblematic of far more dramatic changes in the nation's most famous old boys' club.

Texas congressman, Charles Wilson. "I still try to irritate Pat Schroeder by calling her Babycakes, but that's about it." Asked how he is adapting to the flock of new women, Mr. Wilson replied: "I love it. A couple of 'em are pretty cute."

Representative Susan Molinari, the 35-year-old Republican from New York who came to the House in 1990, said: "You can see that there is an insecurity as to what to call us, whether it is appropriate to compliment on our dress and our hair. For the first time, there's not that resentment against women members, that feeling of 'To hell with them; they're too much work.' There's a growing attitude among the men that they want to do what's best."

Even the extremists join South Africa peace talks. Page 2. The Justice Department is appealing a court ruling to reinstate a gay sailor. Page 3. "Congress is still being run by the same people," Ms. See CAPITAL, Page 4.

U.S. Weighs Payments to Jobless and Retired Russians

By Don Oberdorfer
Washington Post Service

WASHINGTON—The Clinton administration is considering creating a multi-billion-dollar program that would serve as a safety net for Russians facing hardships from hyperinflation and economic restructuring.

The New York investor George Soros said he endorsed a \$10 billion version of the safety net program in his own letter last week to officials of the United States and the six other G-7 countries, all of which would be called on to contribute to the fund. The other nations are Britain, France, Germany, Italy, Canada and Japan.

School of Advanced International Studies, who was a campaign adviser to Mr. Clinton on Russian affairs, said he endorsed the safety net and other costly proposals in a long postelection memorandum to Mr. Clinton. While saying such aid is essential, Mr. Mandelbaum suggested that it is unlikely to be adopted in the current U.S. political climate.

Mr. Clinton has repeatedly identified Russia as among his highest foreign policy priorities and, in an initial effort to help shore up democracy there, he authorized an increase in U.S. security assistance in fiscal 1994 from about \$400 million to more than \$700 million.

Warning that "time is running out" for Mr. Yeltsin, Senator Patrick J. Leahy, Democrat of Vermont, called on the Clinton administration to provide \$1 billion in assistance to the former Soviet states next year, an increase roughly double the one the White House is considering.

Showdown Nears On Yeltsin Power

By Serge Schmemmann
New York Times Service

MOSCOW—The Russian parliament voted Friday to summon an emergency session of the Congress of Peoples' Deputies next week, setting the legislative branch on course for a major showdown with President Boris N. Yeltsin.

that voters would be faced with two sets of questions. Most polls, moreover, showed that people were so disillusioned with politics that less than the mandatory half of registered voters might turn out for the referendum.



Naina Yeltsin, the wife of President Boris N. Yeltsin of Russia, went ice fishing in Tavriovo, where the Yeltsins have a home, while her husband held talks with President Mannerheim of Finland.

Mr. Yeltsin, however, has insisted that he is ready to go ahead with the referendum unless an acceptable agreement is reached. His aides announced that the president would pose three questions to voters: whether to hold a constitutional assembly, whether a two-chamber parliament should become the supreme legislative authority, and whether they believe that the right to private property should be enshrined in a new constitution.

Mr. Khasbulatov, for his part, has urged new elections both to the congress and for a new president next year. In the interim, he has argued against a referendum, but for a deal with the president. The head of the parliamentary committee for legislation, Mikhail Mityukov, told deputies that the president's draft agreement "contains several ideas which could be used for resolving the crisis."

Senator Calls for New Aid
An influential senator, reflecting growing congressional alarm over faltering democratic changes in the former Soviet Union, has called for a "bold" new aid

Attacks Ebb But Are Far From Over, Bonn Says
By Marc Fisher
Washington Post Service

BERLIN—After three months of huge demonstrations against neo-Nazi violence and a highly publicized police crackdown on Germany's far right, the number of anti-far-righter attacks has dropped.

U.S. Repudiates Its Envoy in Israel
WASHINGTON (Reuters)—The United States on Friday repudiated remarks by its ambassador to Israel, who suggested that Washington may have to cut its \$3-billion annual aid to the Jewish state.

French Rightist Backs Bonn's UN Bid
PARIS (Reuters)—A senior opposition leader, Alain Juppé, said Friday that France should back German requests for a permanent seat on the United Nations Security Council.

5 Somalis Killed in Southern Port
MOGADISHU, Somalia (Reuters)—Five Somalis were killed in the southern Somalia port of Kismayu on Friday, four of them in gunbattles with Belgian troops, the United States military said.

Italy Moves to Limit Scandal Fallout
ROME (Reuters)—The Italian cabinet approved a package of measures Friday designed to limit the political damage from a huge corruption scandal that has shaken the ruling order.

TRAVEL UPDATE

A French Rail-Ticket Strike Fizzles

PARIS (Combined Dispatches)—A 24-hour strike by French rail ticket agents Friday had little impact on travel as most ticket windows were open and passengers were allowed to buy tickets and reserve seats on trains.

Japan's government VIP aircraft, the latest model Boeing 747, is to be remodeled after just one flight following complaints that it was noisy, uncomfortable and poorly furnished, an official said Friday.

South Africa Fringe Is Aboard for Talks

JOHANNESBURG—The broadest and surely the oddest assortment of South African political rivals ever assembled in the same room gathered Friday around an ornate, lounge-style table to resume the quest for a new democracy.

With the South African government and the African National Congress now agreed on the route away from white rule, the conference began the tedious process of pulling together a broader consensus.

Ten blacks were killed Friday in an ambush in Natal Province, Reuters reported from Johannesburg. A police spokesman said four men and six women traveling in a minibus were killed, and three people were wounded, in the ambush near the Table Mountain area.

Russia to Base Aid Flights at NATO Field

By Michael R. Gordon
New York Times Service

WASHINGTON—Much of eastern Bosnia remains cut off from ground convoys of relief supplies despite the Clinton administration's efforts to persuade Serbian forces to lift their sieges, according to American officials.

Bosnia, remains under siege. And the State Department officials said the Serbs had not allowed United Nations relief officials to bring food and medical supplies to Cerska after the recent Serbian assault on the town.

130s dropped 30 pallets of food and medicine. The Pentagon said that at least half of the bundles landed near or in the drop zone.

The specific issue for which the congress has been summoned is to decide whether to hold a referendum in April.

Colonel Pardew said 86.4 tons of aid had been delivered in the airdrops.

At the end of the trial of the painter, Bernd Teuber, who was accused of throwing a gasoline bomb at a police officer, prosecutors suddenly reduced the charges to attempted assault and possession of a dangerous weapon.

At Least 77 Feared Dead in Macedonia Air Crash

The Associated Press

SKOPJE, Macedonia—A jet carrying 97 people crashed just after takeoff Friday during a snowstorm in the Macedonian capital, and 77 people were feared killed.

—A Dutch pilot, Macedonian copilot and Swiss flight engineer—all died. But Palair said the pilot was critically injured.

ROME—A controversy initially stirred by Pope John Paul II's public opposition to abortion for victims of rape in Bosnia-Herzegovina has prompted the Vatican to issue a highly unusual denial that it ever permitted the use of contraceptive pills by Roman Catholic nuns in dangerous areas.

BOSNIA: Clinton Plans Tighter Embargo on Serbia

(Continued from page 1)

communications director, said that four other vessels had been stopped during the past month, and that

dropping humanitarian supplies have worked.

ROME—A controversy initially stirred by Pope John Paul II's public opposition to abortion for victims of rape in Bosnia-Herzegovina has prompted the Vatican to issue a highly unusual denial that it ever permitted the use of contraceptive pills by Roman Catholic nuns in dangerous areas.

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Vatican Denies That Nuns in Peril Could Use the Pill
New York Times Service
ROME—A controversy initially stirred by Pope John Paul II's public opposition to abortion for victims of rape in Bosnia-Herzegovina has prompted the Vatican to issue a highly unusual denial that it ever permitted the use of contraceptive pills by Roman Catholic nuns in dangerous areas.

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Handwritten note: 03/11/2012

FIRST 100 DAYS / HIGH COST OF WINNING

Congressmen Spend What It Takes to Win (Up 52% in '92)

By Michael Wines
New York Times Service

WASHINGTON — Candidates for the House and the Senate spent more than two-thirds of a billion dollars on their election campaigns last year, 52 percent more than was spent on the 1990 legislative races, the Federal Election Commission said Friday.

Vermont for a year, or to pay the state of Oklahoma's annual Medicaid bill. By another measure, races for Congress last year cost about what Americans spent to buy running and jogging shoes.

from both PACs and large individual contributors. PACs are political action committees set up by businesses, labor and other interests to raise and spend money to influence legislation.

ocrats, double the figure of two years ago. The cost of Senate races cannot be accurately compared because one-third of the Senate is elected every two years, and spending depends in part on which states are up for grabs.

decid, House incumbents locked in the tightest races, where the margin of victory or defeat was less than 5 percent, spent an average of \$788,000 each.

POLITICAL NOTES

Hillary's Not-So-Secret Admirer: Fidel Castro

NEW YORK — President Fidel Castro of Cuba praised Hillary Rodham Clinton as beautiful and President Bill Clinton as political-ly clever in an interview broadcast here.

White House Staff Getting Smaller, Slowly

WASHINGTON — The White House said its most recent figures show its staff is about 12 percent smaller than President George Bush's was on Election Day and that it would not reach its goal of a 25 percent reduction until Oct. 1.

Quote-Unquote

Mrs. Clinton, head of a White House task force on health-care reform, commenting on the current insurance industry practice of denying coverage to people with existing medical problems: "There will be no more of that, no matter what plan is introduced." (LAT)

U.S. Appeals Ruling Ordering Navy to Reinstate Gay Sailor

By Eric Schmitt
New York Times Service

WASHINGTON — Five weeks after President Bill Clinton halted a judge's ruling that the Pentagon's ban on homosexuals in the military is unconstitutional, the Justice Department is trying to keep that ruling from taking effect.

The administration's argument was rejected last month by a federal district judge, Terry Hatter Jr., who in January ordered the navy to reinstate Mr. Meinhold, a 30-year-old sailor who was discharged last year after proclaiming his homosexuality on national television.

standby reserve might sue the government, challenging the basis of the proceedings against them or claiming that the limbo status would effectively discharge them.

But in the talks the previous night that produced the compromise with Congress, Mr. Clinton had agreed to seek delays in court proceedings for those discharged for being homosexual.

Away From Politics

- A man who kidnaped two immigrant women from El Salvador and Guatemala and held them as sex slaves in his trailer was sentenced in Los Angeles to more than 400 years, including two life terms.
A Michigan prosecutor will not file charges against Dr. Jack Kevorkian based on a document referring to death of a 70-year-old man the doctor helped to die.

Carlos Montoya, 89, Spanish Guitarist, Dies

By Allan Kozinn
New York Times Service

NEW YORK — Carlos Montoya, a guitarist and composer who played an important role in transforming flamenco from a localized Spanish folk form into a style with an international following, died of heart failure Wednesday. He was 89 years old and lived in Wainscott, New York.

enduring, however, was not a solo guitar piece but a concerto, the suite "Flamencos," which he composed with Julio Escobar and Estela Bringer, and performed with the Saint Louis Symphony in 1966.

Tadao Kashio, 75, Casio Computer Founder
TOKYO (AP) — Tadao Kashio, 75, founder of Casio Computer Co., the major electronic watchmaker, died in Tokyo of respiratory failure Thursday.

Lord Ridley, 64, An Ex-Tory Minister
LONDON (Reuters) — Lord Ridley, 64, a former British cabinet minister who resigned from the government three years ago over anti-German remarks, has died.

Lord Ridley was an outspoken critic of closer ties with Europe and a stalwart of the government of former Prime Minister Margaret Thatcher. He quit as trade and industry secretary in 1990 over a magazine interview in which he accused the Germans of using proposed monetary union as a tool to take over Europe.

DEATH NOTICE

It is with deep regret that the Canadian Embassy announces the death, on March 3rd 1993, of

Claude Talbot CHARLAND
Ambassador of Canada to France.

A condolence book will be opened at the Canadian Embassy, 35, avenue Montaigne, from 10:00 a.m. to 6:00 p.m., March 5, 8 and 9.

A memorial service will be held on March 9, at 6:00 p.m., in the Church of Saint-Severin, 1, rue des Petres-Saint-Severin, Paris 5th.

In lieu of flowers, donations may be made to: L'Arche, c/o Mr. Jean Vassier, P.O. Box 25, 60390 Troyes-Reverot or to the Canadian Cancer Society, 200 Malabar Avenue, Ottawa, Ontario K1Y 4K7.

DEATH NOTICE

Dr. Adam Sami MIDANI, passed away on Wednesday, March 3rd, 1993, peacefully at home in Cyprus. His kindness, wit, charm and love of life will be missed by those who knew him.

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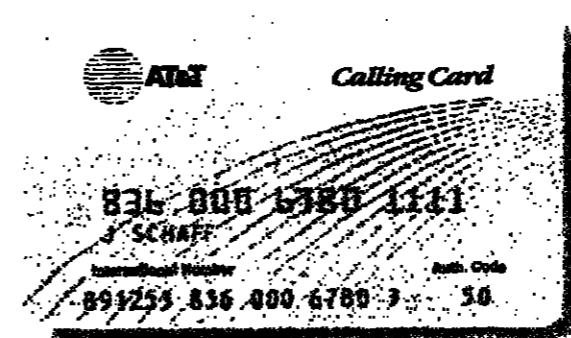
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STION
Quiet Man
Religious
Who Often
Had Guess
By Richard Berman
...
ARRES
3 More Ar

AMERICAN TOPICS

Political Correctness Under Frontal Attack

A dozen scholars, concerned that "political correctness" is undermining education, have formed an accrediting association, the American Academy for Liberal Education, to set academic standards for teaching liberal arts in the traditional way.
The scholars say that liberal arts education has been nibbled away almost to irrelevance, and faddish courses substituted for solid surveys in literature, history and philosophy.

Short Takes

Los Angeles school pupils are beginning to carry fake guns. Six were confiscated last year, as well as 200 real guns. The fakes can be purchased by mail through gun catalogs. Officials say pupils carry them for the same reason others carry real guns - to give a feeling of protection or bravado. State law forbids simulated handguns, and youths who carry them are expelled.
Americans have grown more religious in the last two centuries, according to Roger Finkle of the University of Washington and Rodney Stark of Purdue. In "The Churched of America, 1776-1990," they flesh out a long-held view that organized religion has grown faster than the population. In 1776, only 17 percent of Americans were "religious adherents," compared with 37 percent in 1860, 59 percent in 1952 and 62 percent in 1990. "On any given Sunday morning" in late 18th-century Boston, New York or Charleston, South Carolina, "there were at least as many people recovering from late Saturday nights in the taverns of those seaport towns as were in church."

Hong Kong Governor Again Delays Disclosing Plan

By Barbara Basler
New York Times Service
HONG KONG — The governor of Hong Kong announced Friday that he would once again delay submitting his plan for democratic reform to the legislature here because China, which has categorically opposed the package, appears close to opening talks on the issue.
In a short speech to a tense and attentive Legislative Council, Governor Chris Patten maintained his support of the proposals to extend democracy here, but was careful to emphasize Britain's willingness to open talks on the political changes with the Chinese, who will take over the colony in 1997.
The governor told legislators that at the beginning of the week, China had replied to British proposals for formal talks on the political "arrangements" for the territory's last years under the British. He said diplomatic exchanges on the nature of the talks showed that "there remain only a few points of disagreement which could and should be resolved."
Mr. Patten added that "in the meantime we judge it best" to defer for a fourth time the official submission of the political bills. He offered no date for any talks.



Governor Chris Patten meeting Friday with the Legislative Council and defending his delay of a bill on democratic reform.

For Margarine Eaters, Another Slice of Bad News on Risks

By Marian Burros
New York Times Service
NEW YORK — Women who eat four or more teaspoons of margarine a day have a 50 percent greater risk of developing heart disease than women who eat margarine only once a month, according to a study published Friday in the British medical journal Lancet.
The findings are one more piece of evidence that margarine and other solid or

denounced the plans, and issued stinging personal attacks against the governor.
The proposals, which would broaden the voter base in the legislative elections, and put elected officials on a committee set up to approve a new executive in 1997, have been attacked by Beijing as meddling, inappropriate and in direct contradiction of the Basic Law that will govern Hong Kong after the takeover. But the British maintain the proposals do not contradict the Basic Law.
Mr. Patten's announcement, which was carried live on television and radio here, sent the sensitive and always volatile Hong Kong stock market soaring to a record high. Brokers said investors were relieved Mr. Patten had delayed introducing his bills and that he had avoided any move that might jeopardize talks with China. The Hang Seng index jumped about 35 points, to close at 6,502.81.
Mr. Patten, who is recovering from a heart problem that forced his hospitalization earlier this year, appeared confident and spoke forcefully of his support for the reform package.
The proposals, made by the governor of Hong Kong last October, debated again and again by this Legislative Council, endorsed by the Executive Council, he said, "are still on the table."
"Others will have to explain," he went on, "if there are talks, what their position is."
Although Beijing has demanded that the plans be completely abandoned before any new discussions on the colony's political development take place, Prime Minister Li Peng expressed interest this week in having the two sides sit down together for talks about the situation. Joseph Cheng, a former university professor who has written extensively on Chinese-British relations, said Friday that Mr. Patten did not appear to be backing down from his proposals. Both sides, he said, see that it is in their interests to resume talks and shore up Hong Kong's confidence.

semi-solid vegetable oils are not the best alternative to butter, lard, beef tallow and tropical oils.
Although no one is suggesting that people break out the butter dish, the data are most likely to make people who try to do the right thing nutritionally a little less certain about what the right thing is.
The oils that cause the problems are produced when food manufacturers convert vegetable oils to margarine or shortenings that are solid or semi-solid at room temperature through hydrogenation.
This process creates trans-fatty acids, which act like saturated fats; they raise cholesterol levels, which contribute to heart disease by clogging the arteries and slowing the blood to the heart.
Dr. Walter Willett, professor and chair-

Table with columns: FUND NAME, CURRENCY, NAV, and other financial data. Includes sections for 'INTERNATIONAL FUNDS' and 'Other Funds'. The table lists numerous investment funds such as 'ABC INVESTMENT & SERVICES CO (I.E.C.)', 'M&A INVESTMENT FUND', 'GLOBAL INVESTMENT FUND', etc.

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INTERNATIONAL Herald Tribune

Meet Sheriff Clinton

Is President Bill Clinton a free-trader? He says, sure, free trade makes the world go round. But he quickly adds that America will not swallow any chaf of nations that close their markets to U.S. products...

short end. Boeing has sold more aircraft to Europe than Airbus has sold to America. Mr. Clinton breaks no new ground when he threatens reprisals against countries that trade unfairly...

Jaruzelski Rethinks

General Wojciech Jaruzelski is twice guaranteed a large place in Polish history. In December 1981, he was the tough-minded Communist boss who imposed martial law to crush Solidarity...

necessary to understand such actions in the context of their own time. The East European context of just 12 years ago, with its fears of Soviet intervention and its grim calculations of martial law as a lesser evil...

Taking Aim at Guns

Gunfire is loudest not in the places where the long guns of sport are fired by law-abiding men and women but in the streets, homes, offices and stores where handguns and weapons of war abound...

It should be enacted on its own right away. Taxes: Along with increases in taxes on cigarettes and alcohol to offset costs associated with health care, Congress is looking at proposals to increase the 10 percent excise tax on handguns...

OPINION A Place for the Man Who Can Save Russia

NEW YORK — Those who would disagree, as I do, with some of the specific proposals in President Bill Clinton's economic program must give him credit for his boldness and political courage in advocating them...

By Richard Nixon This is the first of two articles.

The Russian democracy is undergoing a deadly crisis. The negative factors are frightening. Even Yeltsin's purported friends are asking whether he can last.

If Boris Yeltsin's democratic government collapses and is replaced by an aggressive, hard-line nationalist government, this will have a far greater impact on the U.S. economy than all the Clinton domestic programs.

Iraq and Bosnia are not also important, or that the nations of Eastern Europe and the other former Soviet states do not also deserve priority attention where they have democratically elected governments and have initiated serious economic reform.

There has been an alarming increase in crime and corruption. Separatist tendencies and nationalist conflicts that had been cooled by the Cold War are getting hot again, ranging from bloody war in the Transcaucasus and Central Asia to confrontation over minority rights in the Baltics.

The Threat Begins When Aggression Is Tolerated

PARIS — The new world order has arrived. It is well and truly new, consecrating invasion, aggression and ethnic purge as acceptable international conduct...

By William Pfaff

The principal agency of international action, the United Nations Security Council, pursues peace in Yugoslavia by demanding that the victim of aggression, the non-ethnic Bosnian government, halt its resistance to what is being done to its people.

Vance-Owen plan, the world does — with a legalistic demer or two. As in 1938, there is a real risk that the present war will spread, but the way this is likely to come is as a consequence of Serbian victory and subsequent efforts to purge Serbia itself of its Albanian and Hungarian minorities.

They believed their own countries were weaker than a rearming Germany. People then were closer to World War I than we are to Vietnam, with terrible memories. The British ambassador to Germany, Sir Neville Henderson, sent a memo to the Foreign Office in May 1938: "Surely our right course is to be prepared to submit, provided we secure peace in the West, without too great discomfort to the surge and swell of restless nationalism in Central and Eastern Europe..."

And who will have any reason to resist? Only the victims. International Herald Tribune. Los Angeles Times Syndicate.

Clinton's Numbers Add Up but Three Pitfalls Await

WASHINGTON — President Bill Clinton, after some initial stumbles, has achieved a superb rapport with the electorate. He has inspired ordinary taxpayers to offer sacrifices, and conservative business leaders to accept a surprisingly liberal economic strategy...

By Robert Kuttner

growth do not tally. There is nothing in the economic forecasts to warrant the White House projection that unemployment will gradually fall to 5.7 percent by 1997. And even that target would be too high.

Loss of nerve on health reform. At the moment, Mr. Clinton has broad public support to overhaul the health system. The solution is a strategy of universal access that would provide health insurance for every American, financed through payments by employers, employees and general taxes.

With India's Moderate Majority

By A. M. Rosenthal

BOMBAY — The chances are that not one of the people at the dinner party in Bombay will ever be elected to anything in India — or even run for office. But the future of this country will depend on them and people like them.

The former president, who recently visited Moscow, contributed this comment to The New York Times.

President Rao is undoing some of the economic damage done to India by colonialism followed by 45 years of "the Indian road to socialism" — the strangling regulations, the government ownership and the suffocating bureaucracy that Indians call "the Bazaar Raj."

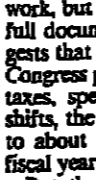
IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Rome at Reading LONDON — When the legions of Rome withdrew from Britain they left at Silchester, midway between Basingstoke and Reading, a Roman city, which was never reoccupied, having been buried for centuries.

1943: Red Army Victory LONDON — [From our New York edition:] The Red Army scored its third major victory in a week today [March 6] by capturing Gzhatsk, 100 miles west of Moscow and the nearest point to the Soviet capital in the Germans' cross-bombing hedgehog defense system on the central front.



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Speak Out Now On Citizenship Bill

An estimated 50,000 children born overseas to one American parent may soon have the opportunity to be naturalized with less difficulty. A bill introduced by Representative Romano (Ron) Mazzoli, Democrat of Kentucky, called H.R. 783, would in certain cases enable Americans overseas to naturalize a child born or adopted abroad without their having to move back to the United States.

Supporters of the bill envisage a one-step process. The parent and child would make a single trip to the United States for the naturalization, including the child's taking an oath of loyalty to the United States and renouncing ties to other countries. Other provisions would enable about 5,000 indi-

two different situations: First, a child under 18 with a U.S. citizen parent (including an adoptive parent) who does not meet the citizenship transmission requirements can be naturalized so long as he is in the United States seeking permanent residence. (See adjacent box for full text.) Second and more im-



FEDERATED LEAGUE OF AMERICANS AROUND THE GLOBE

parent to forward the application to the Attorney General for consideration prior to the U.S. visit. Upon approval, a specific appointment for taking the oath can be made with a delegate of the Department of Justice anywhere in the United States.

Permitting the child to take and subscribe the oath of allegiance on a conditional basis, to become effective on approval of the application.

Because the bill stems from a compromise in the last term, it is very possible that amendments will not be considered. In that event, every effort should be made to create legislative history evincing an intention to allow one-stop naturalization.

H.R. 783 would also restore U.S. citizenship to those U.S. citizens at birth who, under prior law, lost their citizenship because they did not meet U.S. physical presence requirements. There would be no need to file an application for naturalization. To regain citizenship, these persons would need only to take an oath.

As a matter of principle, many Americans living overseas will continue to press for a reduction of the physical presence requirements for transmission of citizenship. The ultimate issue is whether there should be time and place restrictions on a citizen's ability to transmit citizenship and, if so (as Congress firmly believes), how the present law can be relaxed.

FLAAG believes that there should be only minimal restrictions upon transmission of citizenship by an American married to a foreigner. The proposal now before Congress offers an opportunity to resolve the overwhelming majority of hardship cases that have been produced by the current restrictive legislation, which dates back only to 1940. We therefore support H.R. 783.

The oath requirement, as applied, is an obstacle. The oath procedure maintains the near total prohibition of being naturalized overseas, and would also affect those Americans reclaiming U.S. citizenship. While overseas oath taking would greatly simplify the proceedings, there is strong opposition in Washington to changing this requirement. It is unlikely that overseas oath taking will become a reality in the near future.

We recognize that certain objections can be made to the suggested legislation. First, not everyone can afford to return to the United States. A trip for at least two family members can be burdensome. Furthermore, it will doubtless take longer to

achieve a meaningful liberalization of the citizenship law once the pressure has been reduced, as many of the severe hardship cases can be resolved in practical terms under the proposed legislation.

In addition, naturalization is not a completely satisfying substitute for the quality of natural-born citizenship. Only a natural-born citizen of the United States can become president. A natural-born citizen cannot be deprived of citizenship but can be judged to have renounced it in certain cases. The government has recently recognized that it should bear the burden of proving an intention to renounce. Citizenship granted under naturalization procedures is subject to revocation as well as revocation in a number of circumstances. Furthermore, a natural-

born citizen can enjoy dual citizenship in almost all circumstances under today's rules, but a person being naturalized must take an oath to renounce all other sovereignties, and as a result may suffer loss of nationality in some countries.

FLAAG believes this bill to be an opportunity to improve the lot of many American families overseas. It is not perfect, but it is a meaningful chance to improve matters. It enjoys strong Congressional support.

Representatives Mazzoli and Berman and Senator Edward Kennedy, Democrat of Massachusetts, are long-standing supporters of the citizenship rights of Americans overseas. Senator Alan Simpson, Republican of Wyoming, the ranking minority member of the Senate Judiciary

Draft Bill - H.R. 783, Sec. 4

CHILD BORN OUTSIDE THE UNITED STATES; APPLICATION FOR CERTIFICATE OF CITIZENSHIP REQUIREMENTS
SEC. 322. (a) A parent who is a citizen of the United States may apply to the Attorney General for a certificate of citizenship on behalf of a child born outside the United States. The Attorney General shall issue such a certificate of citizenship upon proof to the satisfaction of the Attorney General that the following conditions have been fulfilled:

- (1) At least one parent is a citizen of the United States, whether by birth or naturalization.
 - (2) The child is physically present in the United States pursuant to a lawful admission.
 - (3) The child is under the age of 18 years and in the legal custody of the citizen parent.
 - (4) If the parent is an adoptive parent of the child, the child was adopted by the parent before the child reached the age of 16 years.
 - (5) If the citizen parent has not been physically present in the United States or its outlying possessions for a period or periods totaling not less than five years, at least two of which were after attaining the age of fourteen years -
(A) the child is residing permanently in the United States with the citizen parent, pursuant to a lawful admission for permanent residence, or
(B) a parent of the citizen parent has been physically present in the United States or its outlying possessions for a period or periods totaling not less than five years, at least two of which were after attaining the age of fourteen years.
- (b) Upon approval of the application...the child shall become a citizen of the United States...
- (c) ...this section shall apply to the adopted child of a United States citizen adoptive parent if the conditions specified in such subsection have been fulfilled.

Subcommittee on Immigration and Refugee Affairs, may need to be convinced of the importance of this legislation.

A hearing on the bill has been scheduled for March 10, one of the earliest hearings for the 103rd Congress on legislative matters.

This year, there is an important new player in the game, whose support is assured. In an open campaign letter to Americans abroad on this same FLAAG/MCI-sponsored page in September 1992, Bill Clinton wrote: "There are many things we can do immediately to help Americans abroad. We

will make it easier for you to pass citizenship onto your children."

Since President Clinton is in favor of our ultimate goal, the current partial solution before Congress would seem to have his backing. The bill is a step forward, and FLAAG urges all Americans residing overseas — even those who have no citizenship problem relating to their

family currently pending — to write immediately to Representatives Mazzoli and Berman and Senators Kennedy and Simpson and the U.S. Representatives and Senators from states in which they are eligible to vote, to urge their support of prompt passage of H.R. 783.

Peter C. Aleji
Co-chairman, FLAAG

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viduals born between 1934 and 1952 to reclaim the U.S. citizenship stripped from them when they were teenagers or young adults for failing to meet the U.S. residency requirements of previous laws.

Representative Mazzoli, chairman of the House Judiciary Subcommittee on International Law, Immigration and Refugees, presided over hearings last year at which several organizations, including FLAAG, pressed for a reduction to one year of the U.S. parent's physical presence requirement for automatic transmission of citizenship (the current requirement is five years, of which two must be after the age of 14). Congress remained reluctant to ease the rules on transmission of citizenship and the subcommittee declined to reduce the U.S. presence requirement.

Representatives of overseas Americans did, however, reach an agreement with the subcommittee on amendments to the 1992 proposal that would at least expedite and facilitate naturalization procedures. Unfortunately, the amended bill did not pass in 1992.

Representative Mazzoli and his staff, with significant support from Representative Harold Berman, Democrat of California, and other members of the full Judiciary Committee, kept their promise to present again as early as possible the amended bill. The bill was filed on Feb. 3.

The proposed naturalization legislation covers

portant, if a grandparent (apparently even though an alien) meets the physical presence requirement of five years, two of them after the age of 14, there would be no requirement that the child intended to remain in the United States for permanent residence. In this case, it would be sufficient that the child be present in the United States "pursuant to lawful admission," that the parent apply to the Attorney General for a certificate of citizenship and that the child thereafter take the oath of citizenship (unless waived due to tender age).

The drafter's intent to give preferential treatment to a child whose contacts with the United States relate back for at least two generations is evident. The offspring of other citizens deemed to have insufficient contact with the United States must make up for that defect by taking up permanent residence.

In discussions with congressional staff, overseas residents have raised the issue of the length of stay to complete the process. Many parents will be unable or unwilling to make more than one trip or remain in the United States for a long period while bureaucratic procedures are completed. A one-stop process is the goal, ideally either by changing the proposed bill or by clear statement by the subcommittee of its legislative intent. Some possible steps include:

- Permitting the citizen

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"Morpeth Bridge" (circa 1802), by Thomas Girtin at the exhibition at the Royal Academy in London.

A Shining Moment in Watercolor In Britain's Great Age, Beginnings of Modern Art

LONDON — As one leaves some exhibitions that focus on a moment of perfection, one wonders why it was not done sooner. "The Great Age of British Watercolorists 1750-1850," on view at the Royal Academy until April 12, raises the curtain on one of the unresolved enigmas of Western art history. Suddenly one of the three greatest schools of European landscape painting emerged out of nowhere around the mid-1770s only to disappear as abruptly less than 100 years later — the suggested dates of "the great age" are slightly overextended.

The parade hardly heralded what was to follow three decades later. Nothing in the picturesque views cluttered with topographical detail and colorful crowds such as Paul Sandby's "Horsefair on Brimsfield Links," done in 1750, gives the slightest inkling of the avenues soon to be explored by John Robert Cozens and others.

As one looks for clues, one is struck however by a curious trend that appeared in the mid-1760s. The artists using watercolor as their medium started broadening their horizon, quite literally. The sky takes on inordinate importance in their work, as in William Pars's sketch of ruins near the port of Aegina.

A kind of insidious breakup of the academic mold crept in. When James Athenian Stuart sketched "The Monument of Philopappos" in Athens around 1755, his intention was to record the last standing ruin of a Greek monument of the Roman period. A British tourist listening to the eloquent discourse of two locals in Greek costume emphasizes the picture-postcard slant. Yet, the huge sky filled with clouds ranging from purplish to pale gold is handled with remarkable freedom.

MORE astonishingly still, revolutionary ideas about painting and its recommended methods were voiced by those that seemed to belong to the arch-conservative ranks of British society. In 1785-1786, Alexander Cozens, a drawing master at Eton College, produced "A New Method of Assisting Invention in Drawing Original Composition in Landscape."

The treatise, advocating the use "blots," arguably signals the beginning of modern art. Cozens wrote: "A true blot is an assemblage of dark shapes or masses with ink upon a piece of paper and likewise of light ones produced by paper being left blank. All the shapes are rude and unmeaning [i.e. non-figural] as they are formed with the swiftest hand. But at the same time there appears a general disposition of these masses, producing one comprehensive form."

Looking at "The Top of Hills or Mountains," as Cozens calls it in his "New Method" a sketch that can be seen at the Royal Academy, one wonders whether the Chinese echo to the words and the Far Eastern parallels to the technique do not go well beyond coincidence. The question, asked in the past by Laurence Binyon who did not see it as coincidence, is raised afresh in the latest commentary on the New Method by Jean-Claude Lebensztejn in "L'art de la tache," published in Paris in 1990 (Editions du Limon). Cozens,

not just physical change but different moods. His sunrise view of the gulf is almost classical, with a touch of Claude Lorraine to it. The same view done as dark is falling, with a sense of shadow swallowing up immensity, is quintessentially Romantic.

If the two Cozens were an isolated case of breaking out of tradition, their appearance on the art scene would be extraordinary enough. What makes the English blossoming of the 1780s astounding is the multiplicity of such breaks. Francis Towne, the contemporary of John Robert, is as much mystery as the two Cozens in his way. Born and bred in England, the mountain views he produced around 1781 such as "The Source of the Arveiron," relate to little else. "This ethereal vision of vertical intensity, which fills light golden brown outlines with shaded color, almost eliminating volume and perspective, is unique."

The next generation was greater still. Two watercolorists stand out as the great masters of Western art in the early 1800s. Thomas Girtin and John Sell Cotman.

"The White House at Chelsea," painted by Girtin in 1800, is rooted in the past with its composition and heralds the future in its brevity. A tiny white house appears in the midst of a harmony in shades of blue at left while pale gold spreads in the right half. It is one of the earliest instances of the use of a small color area for the sake of dramatic suggestiveness. Two years later Girtin painted "Morpeth Bridge," in which the sophistication of composition is matched by the mastery in light effects to convey the intensely poetic mood emanating from a landscape. Girtin, the Mozart of watercolor painting, died in 1802 at the age of 27.

COTMAN is the other genius of the 1800s whose works leap off the wall. "Bedlam Furnace near Irongate Shropshire," with its lights flashing in blue darkness, or "Greta Bridge" done five years later around 1807, leave little doubt that the first two decades of the 19th century left far behind anything else in Western Europe, excepting Goya.

If the greatness of a period finds confirmation in the flashes of genius of its lesser artists, John Linnell's "Regent's Park" does it for this one. In composition, brushwork (the dotted effect) and color scheme, it looks like an Impressionist work of 1874 in miniature size. But the date is 1812. David Cox, the last great revelation in the show, created his own world. "A Train Near the Coast." Romantic in feeling and sparse in detail, escapes classification. It was done around 1850. About that time, Britain lapsed into the replete ineptitude of "Victorian art," Pre-Raphaelitism included. It had spent itself, having ushered in the modern world.

who was born in Russia around 1717 and spent his first 25 years there, was intrigued by the East. He received from an Iranian whom he calls Agamein (probably Agha Mo'in) a drawing that he kept all his life.

In "Top of Hills or Mountains," the artist suggests depth not through perspective or volume but through the decreasing intensity of inking. From dark brown sepia in the foreground, color veers to light chestnut splashes in the middle distance and a pale haze far away. Add the juxtaposed dots applied with the tip of the brush wielded like a pen, and the idea of "incidental" similarity to Far Eastern art becomes unlikely.

As if one generation was needed to absorb such extraneous ideas and recast them into a European mold, it was left to Alexander's son John Robert to produce true masterpieces. "Entrance to the Valley of the Grand Chartrouze in the Dauphiné" breaks with all classical principles of composition. A huge dark rocky mass goes right up to the top at left, crowning by a line of tiny far trees on the descending crest. An abrupt drop of the mountainside creates a wedge-like opening, suggesting the valley without showing it.

As early as 1778, John Robert Cozens got close to abstractionism. "Cavern in the Campagna" is a study in moody brown effects. A siver of pale blue cuts into the dark surface high up on the left. Without the tide, there would be little to indicate that this is the inside of a cave. With astonishing versatility, John Robert could also draw on the heritage of the 17th-century Dutch landscape painting, as in his sketches of the Greek temples of Paestum near Salerno. In "The Two Temples," the limid stony light coming down on the facade has more than a touch of van Goyen.

John Robert Cozens is at his most remarkable when, working in an elaborate figural fashion, he uses the dot effect adapted from his father. "Cetara — The Gulf of Salerno" is the ultimate in this line, with its feel for immensity.

Long before the Impressionists, who are invariably credited with the idea, Cozens sketched the same landscape, the Gulf of Salerno, in different light. He did it to convey

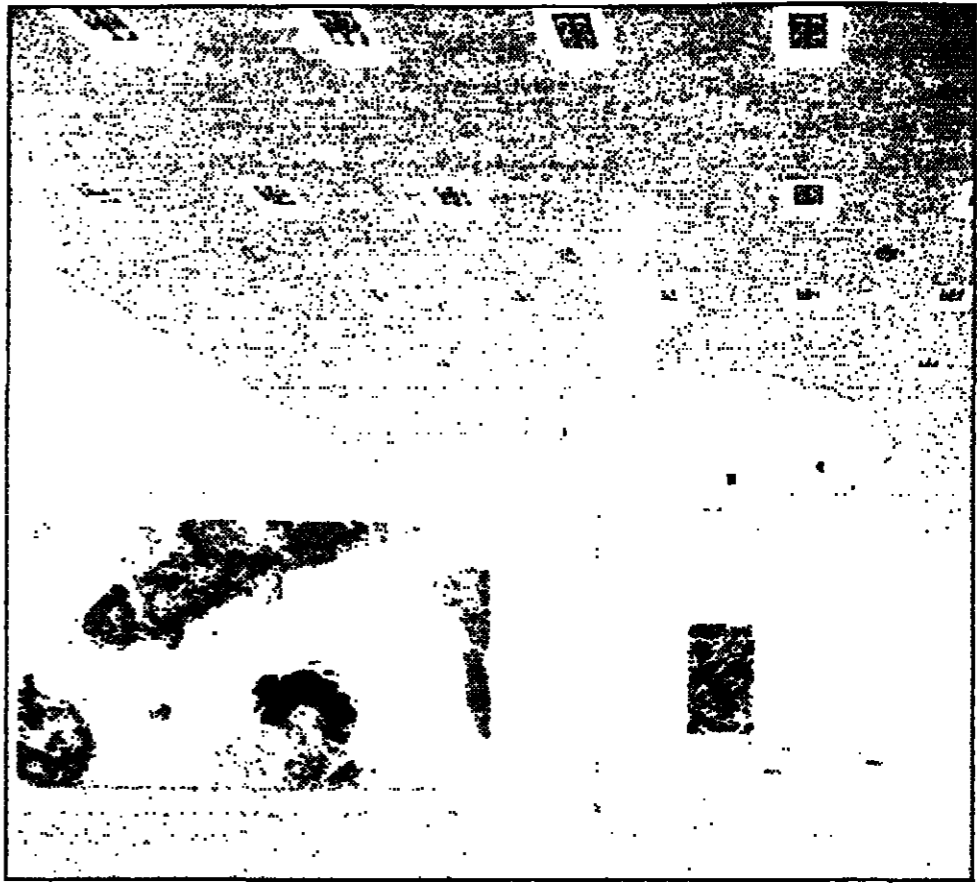
A 'Boggy, Soggy, Squitchy' Vision

BY DAVID GALLOWAY

BONN — The New World has triumphantly invaded Germany's lame-duck capital: billboard-scale canvases glow with the fiery tints of a California sunset, shimmer with Pacific blues, hymn the vastness of western skies. For the first time, art seems untroubled by the Valhalla of Bonn's new Bundeskunsthalle, perpetrated by the Austrian architect Gustav Peichl. More than 300 paintings and works on paper by the California-born Sam Francis shrug aside the architectural posturings as effortlessly as Moby Dick dispatched headstrong harpooners.

In this retrospective tribute in honor of the artist's 70th birthday, allusions to Herman Melville's whaling epic are more than coincidental. One of Francis's most enthralling and celebrated works is entitled "The Whiteness of the Whale." Painted in 1957, it dramatizes the central paradox of Melville's classic: the confusing kinship of creativity and destruction, growth and decay, justice and revenge. It also underscores the ambiguity of whiteness itself as symbol of purity and of death, the absence of color and its most complex presence.

In the early years of his career, Sam Francis sought to formulate his response to Melville's work — above all, to "a boggy, soggy, squitchy picture" the novel's narrator views in a New England inn. The observer is particularly struck by the painting's "indefinite, half-attained, unimaginable sublimity." It is a phrase that might well serve for the Californian's entire oeuvre, whose vision was shaped by such varying sources as Zen Buddhism, Post-Impressionism, Jungian psychology and the view from an air force bomber.



The Sam Francis retrospective in Bonn, in honor of the artist's 70th birthday.



the artistic direction of Hulten, should stage this birthday retrospective, which is scheduled to move on to Los Angeles and Tokyo.

For some viewers, the show may be too much of a good thing. The early oil paintings, with their translucent islands of color, have lost nothing of their compelling transcendental aura. But Francis's discovery, in 1964, of the new, fast-drying acrylic paints was a mixed blessing. While encouraging an open, gestural style, they produced a flat, opaque surface better suited to the mass-media iconography of the Pop Artists.

THE works of the last two decades often seem disarmingly programmatic, with a tendency to assert rather than to seek in that unquenchable spirit of "Moby Dick." That feeling is aggravated by the sheer gigantism of the Bonn presentation, where less would almost certainly have been more. Without the overkill, one could perhaps have seen the late works as proof that the restless voyager has at last found a tranquil harbor.

The retrospective is at Bonn's Bundeskunsthalle through April 18. It will be at the Los Angeles Museum of Contemporary Art from Oct. 24 through Jan. 9.

David Galloway is an art critic and free-lance curator based in Wuppertal, Germany.

HIS stint in the U.S. Army Air Corps from 1943 to 1945 bizarrely diverted the young medical student Samuel Lewis Francis to an artistic career. After a rough emergency landing, the pilot developed spinal tuberculosis and was bedridden, face down and sheathed in plaster, for most of a year. As cabin-fever therapy, he began to paint, with paper spread on the floor and a hole for his face cut into the mattress. The passion born of necessity led him to art school in Berkeley, then to a Paris atelier, where he worked from 1950 to 1957. While painter colleagues viously contested the existential virtues of figuration and abstraction, he absorbed the lessons of Monet's water lilies at the Orangerie, wrote an essay on Bonnard and composed white-on-white or black-on-black paintings whose subject seemed no less than the infinity of space itself.

In 1952 a young Swedish curator and critic named Ponnus Hulten spied such canvases in a bookshop on Rue du Dragon. He sought out the artist and became one of his first, most energetic promoters. As founder of Stockholm's Moderna Museet, then as director of the Musée National d'Art Moderne in Paris and founder of the Los Angeles Museum of Contemporary

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The Bard or not the Bard: A 16th-century miniature portrait just under 8 centimeters long (about 3 inches), possibly of Shakespeare, has sold at Christie's in London for £177,500 (\$258,000). "A Man Clipping a Hand from a Cloth" set a record price for the artist, Nicolas Hilliard. The sinner for the portrait has been shrouded in mystery, and while many believe it is Shakespeare, skeptical scholars believe it spears, skeptical scholars believe it spears, skeptical scholars believe it spears. Lord Thomas Howard, first Earl of Suffolk, who died in 1626. It was sold to a private bidder for more than double its presale estimate.

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The Travel Industry

A Long Haul out of Recession for the Industry

The world travel industry, battered by the Gulf War and the U.S. and European recession over the past two years, is looking at a continuing long haul toward recovery through 1993. For both the hotel and airline sectors, the prospect for this year is much the same: keep people moving with price cuts and other incentives and wait for the recession to end.

With growth projections slowed to 4.5 percent through 1995, compared with an average 4.7 percent annually between 1986 and 1991, major hotel groups and airlines face the same recessionary strategy that has been dogging them since the travel slowdown began: cut back or hold down costs while trying to increase revenue.

This has led to recession-beating price cuts, special deals and what the industry calls "value-added extras" aimed at maintaining air-traffic growth on the one hand and commanding the loyalty of frequent business guests on the other.

When will the recession end? According to Murray Bailey, editor of the Hong Kong-based *Travel Business*

Hotels are targeting business travelers

Analyst, it will be "the end of this year, broadly, before things start to look good for the travel industry again." Aviation analyst William Burke of Avmark Asia Ltd. thinks it will be the summer of 1994 before the most high-profile victims of the travel slump — U.S. megacarriers like United, Delta, American Airlines and Northwest — show strong enough growth to pull out of their own recession.

The crippling fare wars that contributed to the almost \$1 billion losses suffered by these aviation giants have had a double-edged effect on the industry — a buyer's market for travelers but a disaster for the airlines. "The U.S. megacarriers have been losing megabillions," says Mr. Bailey, "and that indicates there's something wrong with the theory that big means best. But it's also meant really good bargains for the traveling public, with incentives producing marginal pricing, and not just on the U.S. and trans-Atlantic networks but in the Asia-Pacific region as well."

While the major Asian airlines have been enjoying what Mr. Burke describes as "a much better financial condition, still making \$200 million to \$400 million profit a year," reduced revenues and profits have dragged them into the same recessionary bulling. "There are minifare wars everywhere in this region, but they're not as discernable as elsewhere," says Mr. Bailey. "Much of it has been going on under the counter — price discounting to travel agencies — but it has included both regional and long-haul services."

But according to Mr. Burke, it is a price-cutting pit that the key Asian carriers — Cathay Pacific, Japan Airlines and Korean Air — may not be able to climb out of when

the industry picks up again. "They're already finding it extremely necessary to make whatever cost savings they can to beat inflation," he says. "For example, you have Cathay Pacific moving its accounts to Guangzhou in China and its computer services to Sydney, and Japan Airlines looking into using foreign crews on some of its services."

"But they're also having to do battle with other recession-beating strategies — very competitive pricing levels across the Pacific and bolstered frequent-flyer programs — that the big U.S. airlines are using. Singapore Airlines has been discounting its services to the United States and Europe to hold its own in the business-travel market. It has also been looking with Cathay Pacific into a joint frequent-flyer program to avoid losing long-haul business travelers to the U.S. giants."

"This competition is going to increase. As the U.S. and European megacarriers expand

their long-haul fleets, it'll be easier for them to challenge the Asia-Pacific airlines in their own region — which according to IATA [International Air Transport Association] will have 50 percent of global passenger traffic by 2010," Mr. Burke says. European airlines recently reported a 15 percent increase in flights to and from the Far East this January compared to January 1991, according to the Association of European Airlines in Brussels.

The hotel industry has likewise been battling for the frequent business traveler in the face of corporate cutbacks. Global groups like IIT Sheraton have been engaging in co-promotions with airlines and the chief credit-card organizations, American Express and Visa.

Sheraton has also been putting a great deal of promotional muscle into its frequent-guest program, Sheraton Club International, in a recession-beating campaign that Tom Edean, Sheraton's Asia-Pacific vice president and marketing director, explains by saying, "It's more cost-effective to gain more business from established custom-

ers." This year, the chain has launched a regional Sure-Saver program offering 40 percent discounts in a bid to attract more leisure travelers.

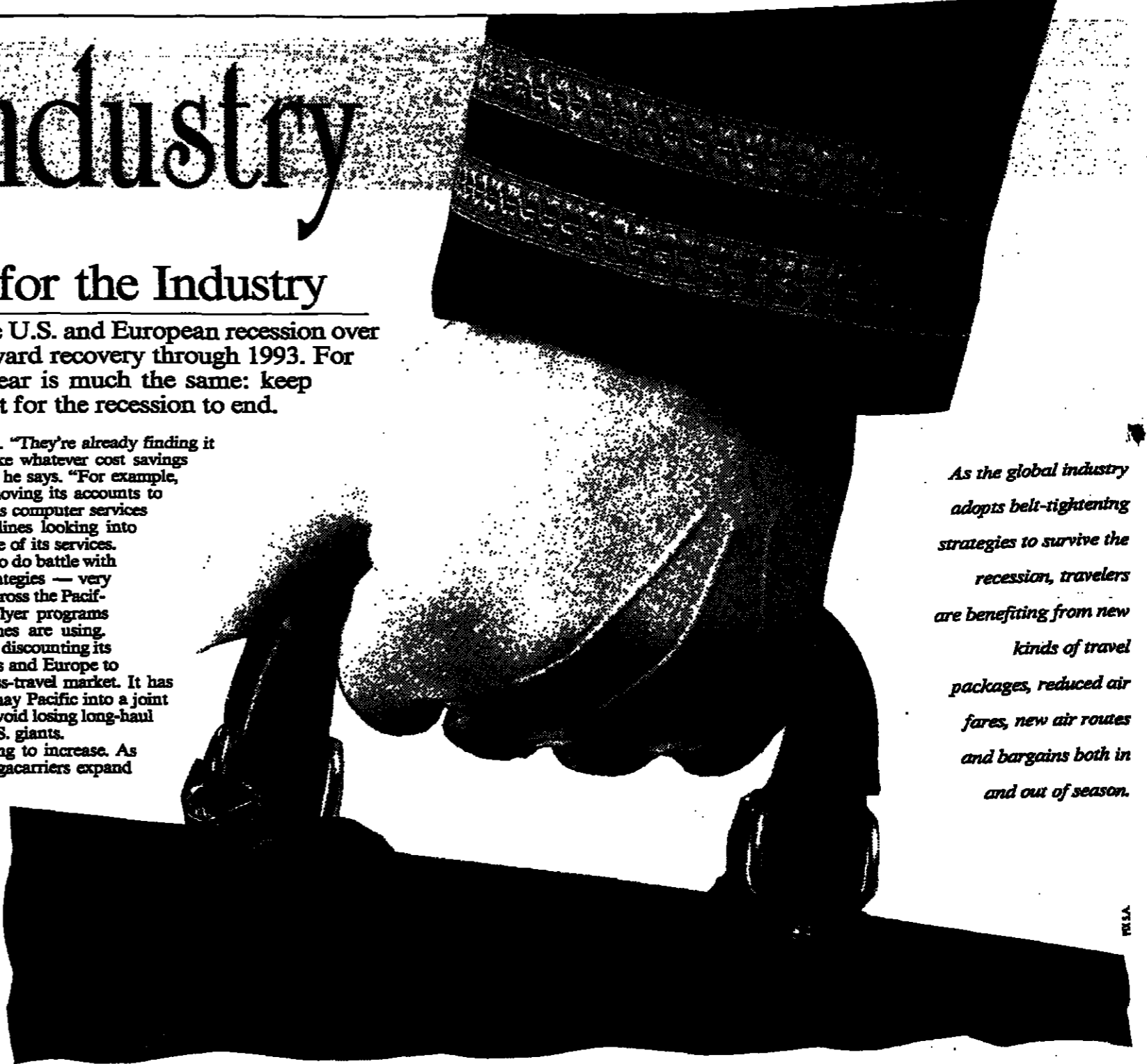
According to Mr. Bailey, rate cuts and discounts are being used "selectively" by hotels across the world, depending on where the boom areas and flat spots are in the market. While the recession-hit United States and Europe have been offering the best hotel bargains, overcapacity has been a bigger discounting factor in Asia and the Pacific.

Mr. Bailey points to Bangkok, "where you can virtual-

ly name your own hotel rate," as one center that is now suffering from oversupply, just as Singapore and Hong Kong have suffered in the past three years. By contrast, he cites Beijing, where the hotel development boom — coinciding with the Tiananmen Square killings and a tough austerity program — initially led to rates as low as \$25 a night in first-class hotels.

"Now, Beijing is coming back — supported by a development slowdown and China's new economic boom," Mr. Bailey says. "Hotels there are now reluctant to give discounts." **Derek Maitland**

As the global industry adopts belt-tightening strategies to survive the recession, travelers are benefiting from new kinds of travel packages, reduced air fares, new air routes and bargains both in and out of season.



The Advent of the Cultural Tourist

Berlin's ITB tourism trade fair March 6-11 is characterized by a record number of exhibitors and a focus on an old-new species of tourist: the culture-seeker.

These travelers are the latter-day counterparts of Goethe, Byron and Mark Twain, and there are a lot of them.

A bit less than one quarter of all those visiting EC

40,000 visitors are expected

countries this year — some 34.5 million — will be coming for the continent's art, architecture and ambience, according to a survey commissioned by the Irish Tourist Board.

For many more, cultural attractions represent a supplemental, important reason for visiting a specific region or city.

The cultural tourist is arriving, both in the continent's museums and at its festivals — and in the meeting rooms of the ITB. This year, centered around its "Megatrend Culture" series of symposia, the world's primary travel trade fair is scrutinizing both the opportunities and risks for the industry of this surge in cultural travel.

According to Albrecht Steinecke, managing director of Trier's European Tourism Institute, this trend is a consequence of a recognition by local and national authorities that "cultural events and edifices offer one of the few remaining areas which can be further developed to attract tourists."

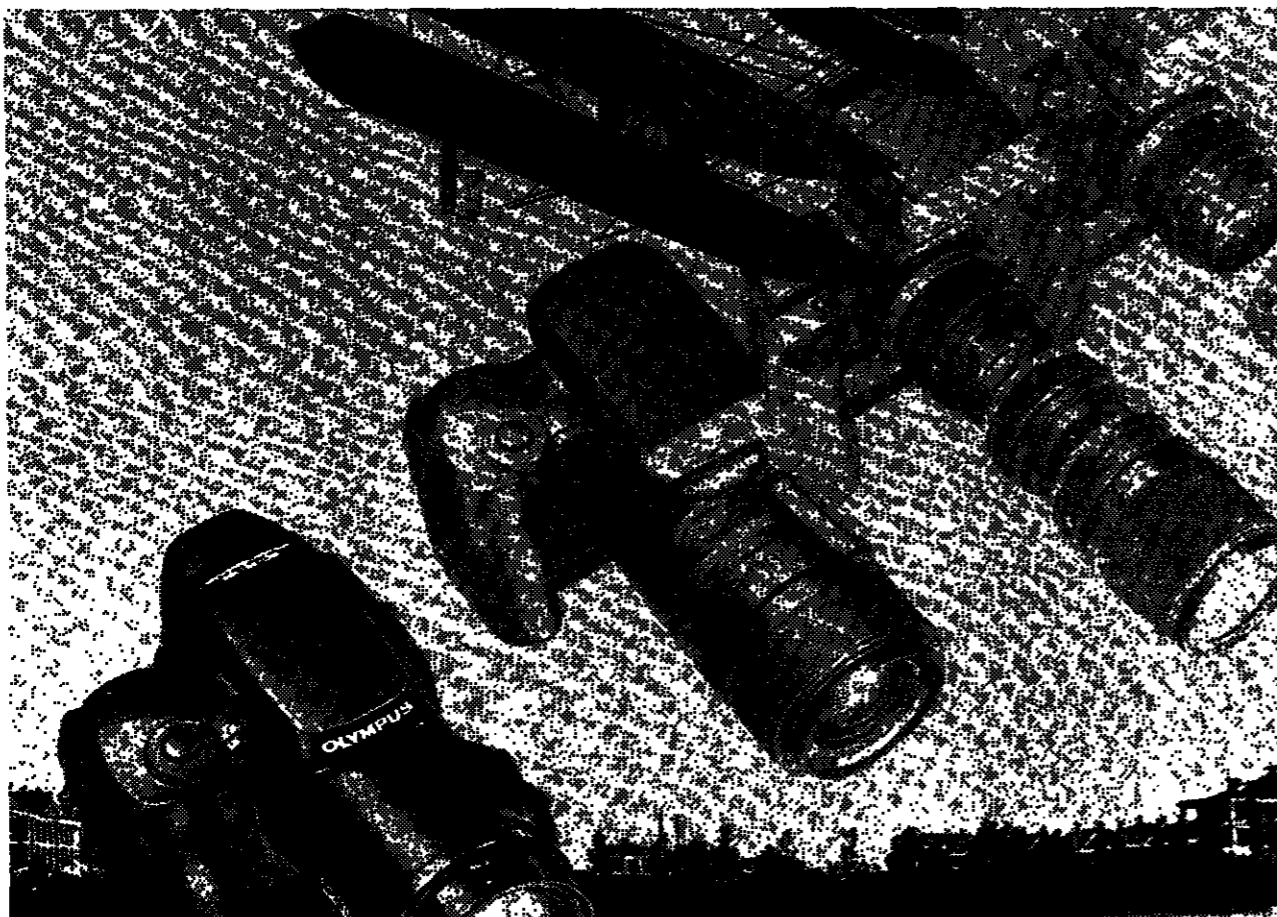
Not that cultural tourism will be the only subject featured at the ITB this year. In the trade fair's 26 halls and 100,000 square meters (1.07 million square feet) of floor space,

some 260 press conferences, receptions and lectures will vie with 4,000 exhibitors (from 150 countries) for the attention of 40,000 trade and general visitors.

These numbers are all new records for the ITB. But its size alone is not why the trade fair can justifiably lay claim to being the leading event in its sector, supposedly now the second-largest in the global economy.

The ITB also features an unparalleled breadth and diversity of coverage. Its film festival, the Prix ITB Berlin, features over 600 entries from more than 30 countries, making it a full-fledged event in itself. **Terry Swartzberg**

This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department. • Derek Maitland is the head of Global View Productions, Hong Kong. • Terry Swartzberg is a free-lance journalist based in Munich. • Alan Tillier is a free-lance journalist based in Paris. • Erich Toll is a writer and producer based in Boulder, Colorado.



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Handwritten note: Japan 1993

Winds of Change in Major Aviation Markets

The airline industry is likely to have a bumpy ride in 1993 as the worldwide economic slowdown and a global trend toward deregulation of aviation prompt fierce competition in the three largest aviation markets. The benefits for travelers will be new routes and bargains.

Each of the markets — the United States, Europe and Asia — is undergoing fundamental change. The U.S. market is heading into the final stretch of a shakeout among carriers as the domestic aviation market matures. Carriers in Europe are seeking to adapt to the liberalization in the European Community while coping with recession. Meanwhile, Asia, the healthiest market, is seeing a flock of new competitors created by its dynamic growth.

The U.S. market, the world's largest, is writing what might be the last chapter in the struggle for survival among domestic carriers. "A vast majority of the market is going to shift to three or four main carriers," says Jon Ash, managing director of Global Aviation Associates Ltd., a consulting firm based in Washington D.C. "The bankruptcies are starting to resolve themselves one way or the other."

A result of the struggle is a return to fare wars and price-cutting as carriers abandon last year's effort to firm rates. "The danger is that the U.S. traveler is getting used to a free lunch, of seeing ticket prices that in many cases are unrealistically low," Mr. Ash adds.

The transformation is a result not only of the recession, but also of a maturation of the U.S. market. "We're seeing a shrinking of the leisure market, and business travel is not growing the way it was," says Robert W. Coggin, senior vice president for marketing of Delta Airlines in Atlanta. U.S. airlines have lost about \$8 billion in the past three years, nearly \$3 billion in 1992 alone, and it is likely the losses will lead to the demise of more carriers.

In Europe, 1993 — and the European Community's deadline for deregulation of transportation — has arrived. But air carriers in Europe, like their

U.S. counterparts, are feeling the effects of recession and are restrained in their reaction to liberalization. "We are financially weak; the opportunities come to us at the wrong time," says Karl-Heinz Neumeister, secretary general of the Association of European Airlines in Brussels. A report released by the association this month shows, however, that overall traffic on European airlines in January was 10 percent above January 1991 (1992 was considered an exception because of the Gulf War), largely the result of a 15 percent growth in travel to and from Asia. Of the three route networks connecting the world's largest markets, the Europe-U.S. routes are expected to grow the least in the coming years, industry observers agree.

EC deregulation is far from complete. Most airlines remain at least partly state-owned, and the 12-nation market has not been fully liberalized. EC

airlines still do not have complete freedom to offer domestic service in other EC nations, for example.

"Europe has made some progress, but there is still a long way to go," says John Story, U.S. executive vice president in New York for British Airways. But competition is rising in Europe, prompting a number of airlines to merge, acquire or form partnerships with other carriers. The growing competition is likely to reduce the high cost of intra-European travel.

Asia is currently the strongest aviation market. "Asian economies are on an upswing, with the exception of Japan," says Barbara Beyer, president of Avmark Inc., the Arlington, Va.-based aviation consulting firm. "There is tremendous pent-up demand for traffic."

The region's growing role in international commerce is boosting business travel in Asia, Ms. Beyer

adds. Traffic between Asia and the United States, and in particular between Asia and Europe, is already strong, and new services to secondary destinations are being launched.

The result of the booming market, coupled with deregulation in some countries, is giving birth to a new generation of competitors, such as Aseana Airlines of South Korea and Eva Airways Corp. of Taiwan. "Asia is booming as far as the creation of new airlines," says Chattrachai Bunya-Ananta, president of Thai Airways International Ltd., Bangkok and chairman of the Orient Airlines Association. About 50 new airlines have been launched in Asia in the past five years, Mr. Chattrachai adds.

The liberalization of aviation in some countries, as well as a move toward privatization of the airline industry, has prompted the growth of new carriers, Mr. Chattrachai points out.

Erich E. Toll

Business Briefs

• A boon to photographers on the go is Olympus's new, completely automated IS-1000 35mm camera with built-in power zoom and flash, and an "Extraordinary Dispersion" lens that provides contrast, color accuracy and image clarity once possible only in the most costly single-lens-reflex cameras. Masako Owada, fiancée of Japan's crown prince, is one satisfied user: she took photographs with the camera during a trip last summer.

• Nouvelles Frontières, the multinational French travel organization whose profits rose 42 percent in 1992, now has discount fares for business travelers for flights on major airlines, including Cathay Pacific, Delta, Qantas and Northwest.

• For an extra touch of class, companies are now holding business conferences and seminars in French chateau hotels, many of which offer sophisticated conference facilities complete with all the amenities, in addition to such pleasurable perks as golf courses and gourmet dining.

New Destinations, From an Oasis to the Arctic

The 1993 traveler will tend to be more independent and adventurous, according to American Express in London, but not necessarily daredevil: Kuoni, the Swiss-owned travel agency, predicts only "moderately adventurous" travelers who will still demand their creature comforts.

A survey of upcoming holiday offerings includes trekking in Nepal, swings through Peru and other South American countries, excursions to Alaska and forays into the interior of South Africa.

At the same time, time-honored destinations that

Adventure trips are "in"

had been somewhat in decline are back in favor — the Caribbean, the Greek islands and Bali are examples, although there is still a desire to branch out. Air France, which confirms the renewed popularity of the French West Indies, says travelers are arranging to take in the British West Indies as well.

Kuoni will be flying holidaymakers to a new resort in the Dominican Republic with side trips to Jamaica, where Montego Bay, once known as a watering hole for Ian Fleming, creator of James Bond, is now a popular destination.

The more "daring" holidays are not attracting a

mass clientele, but there is a growing demand for such off-the-beaten-track excursions as individual trips across China in a rented car with guide.

Thalagiri atoll in the Indian Ocean is "in," as is the Sultanate of Oman, where Club Med is building a facility; an oasis is thrown in as a bonus. The Himalayas offer different kinds of natural attractions and are drawing more tourists as well. Many travel agents report an upswing in tourism to South Africa now that some taboos have been lifted. Air France and other airlines say their flights there are full.

Oberoi, the up-market, Indian-owned hotel chain, cites Sri Lanka as having made a comeback because of the relative cheapness of holidays there, and adds that Australia is a growth area. A traveler to Australia can stay at the Windsor, the luxury Oberoi hotel in Melbourne, and then take 21 days crossing from Darwin to Sydney via the aborigines' sacred mountain, Ayers Rock. An Oberoi spokesman says

that travel to India itself is off "except for business travel," but others in the industry note a mini-boom down south in Madras and Kerala, far from the religious strife in the north.

Environmentally correct holidays are relatively new but becoming more popular. Hilton International has announced an ecology tourism project at the Batang Ai Longhouse Resort in Malaysia. The aim, says Hilton, is "adventure tourism," consisting of canoeing, swimming in a nearby lake, fishing and trekking, all without damaging the forest. It could be called the old-fashioned made newly fashionable.

The same could be said for cruises, which are selling well all over. Diners Club and the French Paquet Cruises have been taking the big Ocean Princess up the Amazon to Manaus. Cruises to the Arctic are heavily booked. Tour operators say the current cruise clientele is much younger.

Cities are increasingly popular holiday destinations. There is fierce competition in Europe, but the star of late has been St. Petersburg. Inland destinations in Europe are increasingly popular, with an organization like Club Med building holiday complexes in the countryside, far from urban fren-

zy. The battle for popularity along the coasts fluctuates markedly in Europe, especially in France at places like Biarritz and Deauville, which lure customers with "resorts" that have everything from blackjack to golf.

Group travel is by no means dead, but the battle is on for the business of the individual, with offers not just of escapism but also of physical effort and mental stimulus.

For those who want to be ahead of the trends, emerging attractions include the mosques of the former Soviet Central Asia and the wild landscape of the Kuril Islands.

Alan Tibber

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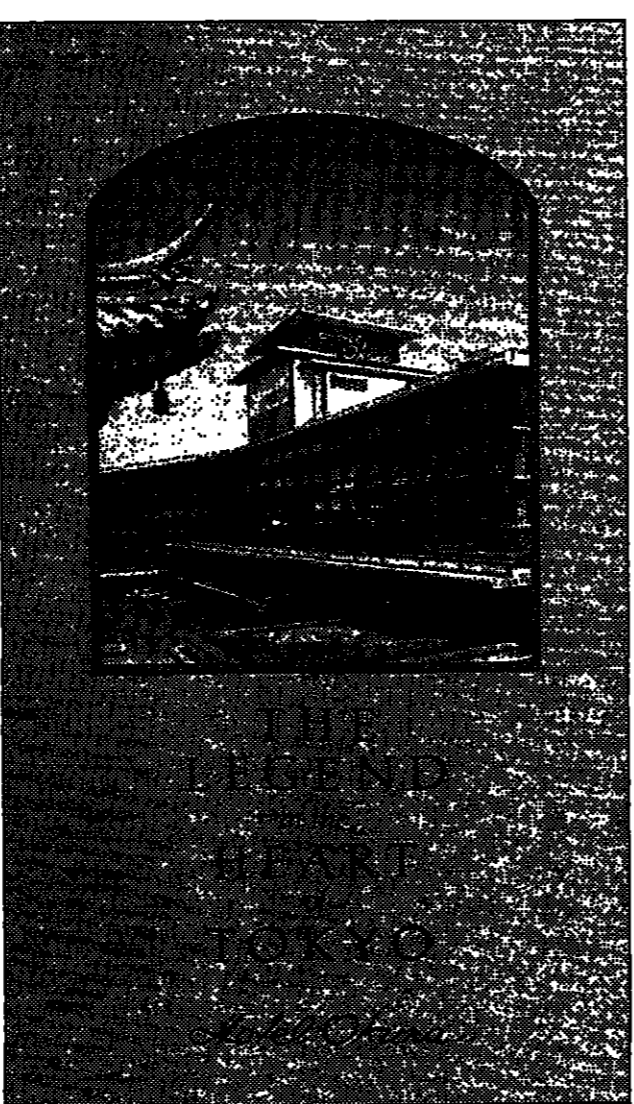
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NYSE

Friday's Closing
Tables include the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock

12 Month High	12 Month Low	Stock	High	Low	Stock	High	Low
100.00	95.00	IBM	100.00	95.00	IBM	100.00	95.00
150.00	140.00	Microsoft	150.00	140.00	Microsoft	150.00	140.00
200.00	180.00	Oracle	200.00	180.00	Oracle	200.00	180.00
300.00	280.00	Intel	300.00	280.00	Intel	300.00	280.00
400.00	380.00	Sun	400.00	380.00	Sun	400.00	380.00
500.00	480.00	Novell	500.00	480.00	Novell	500.00	480.00
600.00	580.00	Lotus	600.00	580.00	Lotus	600.00	580.00
700.00	680.00	McAfee	700.00	680.00	McAfee	700.00	680.00
800.00	780.00	Perot	800.00	780.00	Perot	800.00	780.00
900.00	880.00	Web.com	900.00	880.00	Web.com	900.00	880.00
1000.00	980.00	Worldnet	1000.00	980.00	Worldnet	1000.00	980.00

12 Month High	12 Month Low	Stock	High	Low	Stock	High	Low
110.00	105.00	AT&T	110.00	105.00	AT&T	110.00	105.00
120.00	115.00	Verizon	120.00	115.00	Verizon	120.00	115.00
130.00	125.00	Sprint	130.00	125.00	Sprint	130.00	125.00
140.00	135.00	WorldCom	140.00	135.00	WorldCom	140.00	135.00
150.00	145.00	Qwest	150.00	145.00	Qwest	150.00	145.00
160.00	155.00	Level 3	160.00	155.00	Level 3	160.00	155.00
170.00	165.00	Opticon	170.00	165.00	Opticon	170.00	165.00
180.00	175.00	Telefonos	180.00	175.00	Telefonos	180.00	175.00
190.00	185.00	Telecom	190.00	185.00	Telecom	190.00	185.00
200.00	195.00	Worldnet	200.00	195.00	Worldnet	200.00	195.00

12 Month High	12 Month Low	Stock	High	Low	Stock	High	Low
210.00	205.00	Worldnet	210.00	205.00	Worldnet	210.00	205.00
220.00	215.00	Worldnet	220.00	215.00	Worldnet	220.00	215.00
230.00	225.00	Worldnet	230.00	225.00	Worldnet	230.00	225.00
240.00	235.00	Worldnet	240.00	235.00	Worldnet	240.00	235.00
250.00	245.00	Worldnet	250.00	245.00	Worldnet	250.00	245.00
260.00	255.00	Worldnet	260.00	255.00	Worldnet	260.00	255.00
270.00	265.00	Worldnet	270.00	265.00	Worldnet	270.00	265.00
280.00	275.00	Worldnet	280.00	275.00	Worldnet	280.00	275.00
290.00	285.00	Worldnet	290.00	285.00	Worldnet	290.00	285.00
300.00	295.00	Worldnet	300.00	295.00	Worldnet	300.00	295.00

12 Month High	12 Month Low	Stock	High	Low	Stock	High	Low
310.00	305.00	Worldnet	310.00	305.00	Worldnet	310.00	305.00
320.00	315.00	Worldnet	320.00	315.00	Worldnet	320.00	315.00
330.00	325.00	Worldnet	330.00	325.00	Worldnet	330.00	325.00
340.00	335.00	Worldnet	340.00	335.00	Worldnet	340.00	335.00
350.00	345.00	Worldnet	350.00	345.00	Worldnet	350.00	345.00
360.00	355.00	Worldnet	360.00	355.00	Worldnet	360.00	355.00
370.00	365.00	Worldnet	370.00	365.00	Worldnet	370.00	365.00
380.00	375.00	Worldnet	380.00	375.00	Worldnet	380.00	375.00
390.00	385.00	Worldnet	390.00	385.00	Worldnet	390.00	385.00
400.00	395.00	Worldnet	400.00	395.00	Worldnet	400.00	395.00

12 Month High	12 Month Low	Stock	High	Low	Stock	High	Low
410.00	405.00	Worldnet	410.00	405.00	Worldnet	410.00	405.00
420.00	415.00	Worldnet	420.00	415.00	Worldnet	420.00	415.00
430.00	425.00	Worldnet	430.00	425.00	Worldnet	430.00	425.00
440.00	435.00	Worldnet	440.00	435.00	Worldnet	440.00	435.00
450.00	445.00	Worldnet	450.00	445.00	Worldnet	450.00	445.00
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480.00	475.00	Worldnet	480.00	475.00	Worldnet	480.00	475.00
490.00	485.00	Worldnet	490.00	485.00	Worldnet	490.00	485.00
500.00	495.00	Worldnet	500.00	495.00	Worldnet	500.00	495.00

12 Month High	12 Month Low	Stock	High	Low	Stock	High	Low
510.00	505.00	Worldnet	510.00	505.00	Worldnet	510.00	505.00
520.00	515.00	Worldnet	520.00	515.00	Worldnet	520.00	515.00
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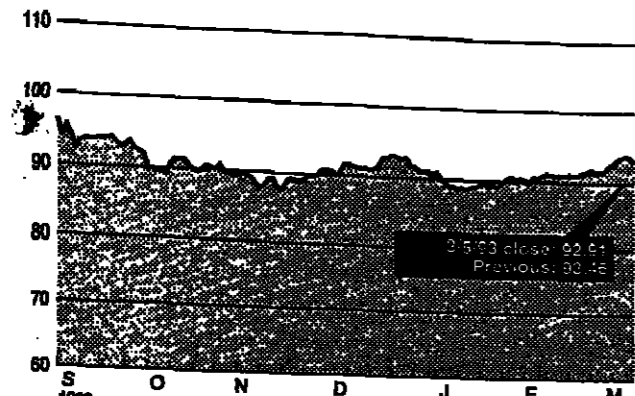
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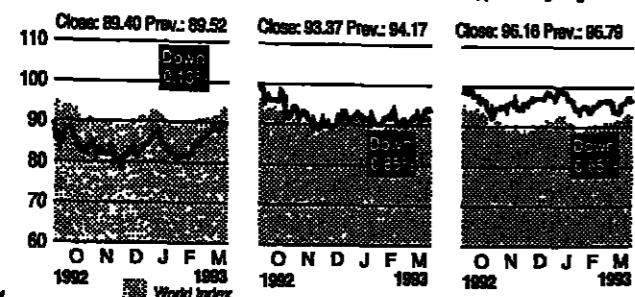


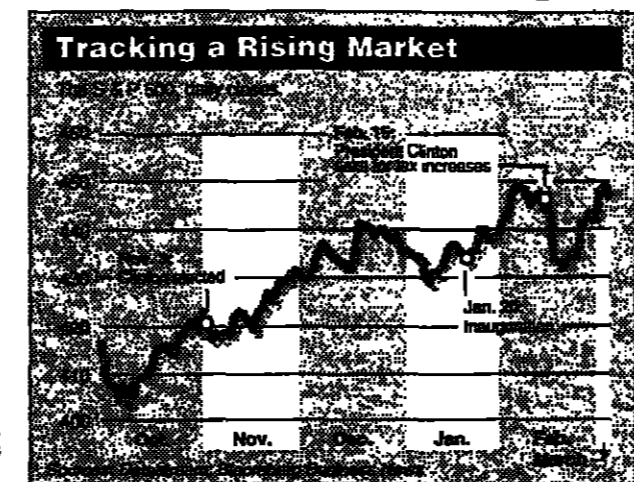
Table with 3 columns: Industrial Sectors. Lists sectors like Energy, Utilities, Finance, Services with their respective index values and changes.

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92021 Neuilly Cedex, France.

Low Rates Underlie Surge in Stocks

By Allen R. Myerson
New York Times Service

NEW YORK — A continued plunge in U.S. interest rates to the lowest level in decades is causing many money managers to make fundamental shifts in their investment strategies...



The New York Times

Their enthusiasm has propelled the market averages to within inches of new highs this week, with stocks regaining all the ground they lost two weeks ago as President Bill Clinton presented his proposed budget...

goal of 52 percent a year ago, according to a survey conducted in January by Callan Associates, a financial consulting firm...

Suez Shares Bolt, Fueling Raid Rumors

By Jacques Neher
Special to the Herald Tribune

PARIS — Shares of Compagnie de Suez jumped more than 4 percent Friday in a second day of extraordinary trading volume, fueling speculation that a raid has been launched on a company that many view as the flagship of the French financial and industrial establishment...

appeared to be coming from foreign investors, particularly from London. She said the company was not worried, believing that the heavy volume and share-value rise reflected a "positive response" to the company's announcement...

and be able to win government approval, without first having a plan to dispose of its French insurance holdings — the Victoire-Colonia group — to another French insurance company...

The market was buzzing with speculation about the possibility of a bid for Suez by Sir James Goldsmith, in alliance with the AXA insurance group, or by state-owned UAP, France's largest insurance company.

Mr. Furnival said that a raider able to get control of Suez for under 400 francs a share stood to make a "tidy profit," estimating the company's break-up value of nearly 80 billion francs, or 550 francs a share.

The rest of the company's stock is spread thinly among a core group of French industrial and financial institutions that include Saint-Gobain, Elf-Aquitaine, Crédit Agricole and Pernod Ricard, as well as a public float of some 38 percent.

Neither Sir James nor UAP was available for comment.

Mr. Furnival said that a raider able to get control of Suez for under 400 francs a share stood to make a "tidy profit," estimating the company's break-up value of nearly 80 billion francs, or 550 francs a share.

In addition to its insurance holdings, Suez owns the highly regarded merchant bank, Banque Indosuez, and Société Générale de Belgique, which it won after a bruising takeover battle in the late 1980s against the Italian industrialist Carlo De Benedetti.

ECONOMIC SCENE

Much Heat, Some Light From Energy Tax Debate

By Peter Passell
New York Times Service

NEW YORK — It is no secret why President Bill Clinton opted for a BTU tax over other energy levies: The idea is to raise maximum revenue gain with minimum political pain...

Ask any environmentalist for his favorite energy tax and you will hear an earful about carbon. "It is better to tax 'bads' than 'goods,'" argues Robert Repetto of the World Resources Institute...

But a tax on carbon is anathema to the coal industry because coal releases about twice as much carbon per unit of energy generated as oil or natural gas.

The catch, from the White House's perspective, is that oil, too, has an effective domestic lobby. Probably as important, an oil or gasoline tax would have a disproportionately large impact on a handful of states, and would thus be politically divisive.

Then, too, an ad valorem tax would cost families more than the volatility of costs to consumers. This upsets politicians, who are loath to pile misery upon misery when energy prices go up.

7 Computer Firms Set Alliance

By Mitchell Martin
International Herald Tribune

PARIS — Seven companies, led by IBM, Motorola Inc. and Apple Computer Inc., will announce Monday a technology alliance and demonstrate the capabilities of a jointly developed computer processing chip, spokesmen said.

thinking for computers by interpenetrating and executing instructions. The new chip would also allow for expanded use of the Unix operating system. Unix, which was developed by American Telephone & Telegraph Co. and recently sold to Novell Inc., is a rival of the operating systems developed by Microsoft Corp. for the Intel-based IBM and clone computers.

PowerPC chips in space, military and industrial applications. Maynard G. Brandon and George J. Podrasky, analysts at Duff & Phelps Inc. in Chicago, said the new chip was based on long-term research by IBM that was augmented by Motorola. Apple is planning to use the chip in Macintosh computers to appear later this year, they added.

The alliance is based around the PowerPC processing chip developed by Motorola and International Business Machines Corp.

Among operating systems, which transmit instructions between computers and the programs that run on them, Unix is popular for use on workstations. These are more powerful than personal computers and are a growing part of the market.

IBM and Motorola announced Oct. 1 that they had produced the first PowerPC chip, the 601. The chips are intended to be used in a wide range of computers, from portables to supercomputing systems, and also in automotive and consumer products. They use what is called reduced instruction-set computing, or RISC, technology, which allows designers to simplify the instructions given to a computer and thus increase performance.

IBM and Motorola announced Oct. 1 that they had produced the first PowerPC chip, the 601. The chips are intended to be used in a wide range of computers, from portables to supercomputing systems, and also in automotive and consumer products.

The two French companies, Bull and Thomson, previously said they planned to develop products using the PowerPC technology. In October, Steven Bagby, vice president of Bull's Unix systems product line, said the successful production of the IBM-Motorola chip would "strengthen the cooperative development activities between Bull and IBM" in systems using multiple processors. IBM owns 5.68 percent of Bull.

Source: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Greenwell, Hambro, Credit Lyonnais.

It is widely adopted as an industry standard, the technology would pose a threat to Intel Corp., currently the most important supplier of processors to the personal-computer market. Processors are the chips that essentially do the

thinking for computers by interpenetrating and executing instructions. The new chip would also allow for expanded use of the Unix operating system. Unix, which was developed by American Telephone & Telegraph Co. and recently sold to Novell Inc., is a rival of the operating systems developed by Microsoft Corp. for the Intel-based IBM and clone computers.

PowerPC chips in space, military and industrial applications. Maynard G. Brandon and George J. Podrasky, analysts at Duff & Phelps Inc. in Chicago, said the new chip was based on long-term research by IBM that was augmented by Motorola. Apple is planning to use the chip in Macintosh computers to appear later this year, they added.

Salomon's Credit Rating Under Scrutiny

Bloomberg Business News

NEW YORK — Standard & Poor's Corp. said Friday that it might cut ratings on Salomon's \$3 billion of debt, which could raise the company's borrowing costs.

profits is "a bit more extreme than in the past," said Mark Bachmann, an S&P analyst. S&P said it may lower its ratings of A on Salomon's senior debt, A- on subordinated debt, BBB+ on preferred stock and A-1 on commercial paper.

Companies with lower debt ratings generally must pay higher interest rates to attract investors. That is damaging to financial-services companies like Salomon because their profits reflect the difference between borrowing costs and lending rates.

CURRENCY & INTEREST RATES

Table with multiple columns: Cross Rates, Other Dollar Values, Forward Rates. Shows exchange rates and interest rates for various currencies and time periods.

CURRENCY & INTEREST RATES

Table with multiple columns: Eurocurrency Deposits, Key Money Rates, Gold. Shows interest rates for Eurocurrency deposits, key money rates, and gold prices.

RELIGIOUS SERVICES

- List of religious services across various cities: AMSTERDAM, BARCELONA, BREMEN, BUCHAREST, COTE D'AZUR, CORNERSTONE CHRISTIAN FELLOWSHIP, FRANKFURT, MADRID, MONTREAL, MONTRE CARLO, MUNICH, PARIS and SUBURBS, PRAGUE, WUPPERTAL, ZURICH, EUROPEAN UNITARIAN UNIVERSALISTS.

MARKET DIARY

A Zigzag Dow Loses Most of Its Gains

Bloomberg Business News NEW YORK — Blue-chip stocks marched up Friday after a strong employment report, then marched down again as a result of computer-guided sell orders in the final hour.

The Dow Jones industrial average rose as much as 34 points during the day but closed up a modest 5.67 points at 3,404.58. Declining...

N.Y. Stocks common stocks led advances on the New York Stock Exchange by a narrow margin. Trading was active, with about 247 million shares changing hands on the Big Board.

People are concerned that if the bond market falls on its face, the whole stock market falls apart. Dan Mariano, senior vice president in equity trading at Dillon, Read & Co., said...

Optimism about the economy prompted investors to overlook the rise in bond yields following Friday's report to focus instead on potential for higher corporate profits, traders said.

DOLLAR: Rallies on Rate Cut

(Continued from first finance page) tion for now and that profit-taking followed. In Paris the CAC-40 share index gained 8.37 to 1,995.12.

Foreign Exchange grid was quietly steady in late European trading. But market analysts said it would continue to creep until Germany managed a sustained series of rate cuts.

U.S. employment data are notoriously volatile, so Friday's report should be treated cautiously, said Jeremy Hawkins, senior economic adviser at Bank of America, based in San Francisco.

RATES: Bundesbank's Action Appears to Signal Further Cuts to Come

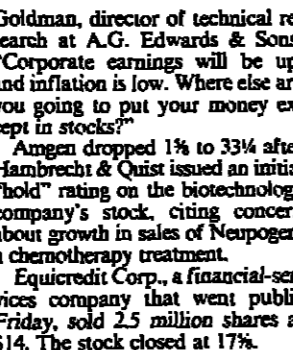
(Continued from page 1) German economy is still slowing. In West Germany, 30,000 more people were unemployed in February, for a total of 2.29 million.

Individual economic announcements have little bearing on Bundesbank decisions, but cumulatively, recent data have shown that the economy is continuing to lose steam, which means that inflation...

WORLD STOCK MARKETS

Table with columns for Market, Class, Prev., and various stock indices from Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, Montreal, Paris, Singapore, Stockholm, Toronto, Zurich, and Johannesburg.

The Dow



Daily closings of the Dow Jones industrial average \$58

NYSE Most Active

Table listing NYSE Most Active stocks with columns for Vol., High, Low, Last, and Chg.

NYSE Diary

Table listing NYSE Diary items with columns for Advancing, Declining, Unchanged, and Total Issues.

Amex Diary

Table listing Amex Diary items with columns for Advancing, Declining, Unchanged, and Total Issues.

NASDAQ Diary

Table listing NASDAQ Diary items with columns for Advancing, Declining, Unchanged, and Total Issues.

Dow Jones Averages

Table showing Dow Jones Averages: Industrials, Transportation, Utilities, Finance, and SP 100.

Standard & Poor's Indexes

Table showing Standard & Poor's Indexes: Industrials, Transportation, Utilities, Finance, and SP 100.

NYSE Indexes

Table showing NYSE Indexes: Composite, Industrials, Transportation, Utilities, Finance, and SP 100.

NASDAQ Indexes

Table showing NASDAQ Indexes: Composite, Industrials, Transportation, Utilities, Finance, and SP 100.

AMEX Stock Index

Table showing AMEX Stock Index: High, Low, Close, and Change.

Dow Jones Bond Averages

Table showing Dow Jones Bond Averages: 30 Bonds, 15 Utilities, and 15 Industrials.

Market Sales

Table showing Market Sales: NYSE adv. p.m. volume, NYSE adv. p.m. value, Amex adv. p.m. volume, Amex adv. p.m. value, NASDAQ adv. p.m. volume, NASDAQ adv. p.m. value.

N.Y.S.E. Odd-Lot Trading

Table showing N.Y.S.E. Odd-Lot Trading: Buy, Sell, Short, and Total.

S&P 100 Index Options

Table showing S&P 100 Index Options: Call, Put, and Total.

EUROPEAN FUTURES

Table showing EUROPEAN FUTURES: High, Low, Close, Change.

Food

Table showing Food futures: Sugar (ROC), Coffee (ROC), Cocoa (ROC).

Metals

Table showing Metals futures: Aluminum (High Grade), Zinc, Lead, Tin.

Stock Indexes

Table showing Stock Indexes: FTSE 100 (Liffe), Nikkei 225 (Liffe).

Spot Commodities

Table showing Spot Commodities: Aluminum, Copper, Nickel, Tin, Zinc, Lead, Tin.

Dividends

Table showing Dividends: Company, Extra, Per Share, Pay Date, Ex Date.

Financial

Table showing Financial futures: 3-Month Sterling (Liffe), 3-Month Eurodollars (Liffe).

Grains

Table showing Grains futures: Wheat (CBT), Soybeans (CBT), Corn (CBT).

Metals

Table showing Metals futures: High Grade Copper (COMEX), Silver (COMEX).

Livestock

Table showing Livestock futures: Cattle (CME), Hogs (CME).

Food

Table showing Food futures: Coffee (CME), Sugar (CME).

Financial

Table showing Financial futures: U.S. Treasury (CME), Eurodollar (CME).

Stock Indexes

Table showing Stock Indexes: S&P 500, Nikkei 225, FTSE 100.

Commodity Indexes

Table showing Commodity Indexes: Moody's, U.S. Futures, Com. Research.

Bondholders Quit Talks With TWA

NEW YORK (Bloomberg) — Investors holding \$50 million in Trans World Airlines bonds backed out of talks Friday over the terms of the airline's reorganization plan.

Those who leased their permits under the proposed plan to emerge from Chapter 11 bankruptcy protection, said David M. Friedman, an attorney for the group.

Nut Quotas Said to Enrich Farmers

WASHINGTON (NYT) — A report Friday by the General Accounting Office said that a system of federal peanut-production quotas had enriched big farmers at an annual cost to consumers as high as \$513 million and artificially restricted the U.S. peanut supply.

The report said that permits for peanut production by the government, had distributed without charge to longtime farmers by the permit now become so valuable that two-thirds of those holding the permits now leased them to other farmers who actually produce the peanuts.

Amex to Reduce Interest in First Data

NEW YORK (Bloomberg) — American Express Co. said Friday it would reduce its controlling interest in First Data Corp. by selling 32 million shares of the subsidiary, which provides financial information processing and credit-card services.

Kantor Sees a Tough '93 for Trade

WASHINGTON (Reuters) — The U.S. trade representative, Mickey Kantor, said Friday that 1993 could be a tough year for trade and singled out Japan, China and Europe as possible trouble spots.

For the Record

Transportation Secretary Federico Pass on Friday endorsed Northwest Airlines' complaint that the Australian government is unfairly limiting the number of passengers it can carry between Sydney, Australia, Japan. He postponed any decision on sanctions until after U.S. and Australian officials meet next week.

U.S. FUTURES

Table showing U.S. FUTURES: High, Low, Close, Change.

Grains

Table showing Grains futures: Wheat (CBT), Soybeans (CBT), Corn (CBT).

Metals

Table showing Metals futures: High Grade Copper (COMEX), Silver (COMEX).

Livestock

Table showing Livestock futures: Cattle (CME), Hogs (CME).

Food

Table showing Food futures: Coffee (CME), Sugar (CME).

Financial

Table showing Financial futures: U.S. Treasury (CME), Eurodollar (CME).

Stock Indexes

Table showing Stock Indexes: S&P 500, Nikkei 225, FTSE 100.

Commodity Indexes

Table showing Commodity Indexes: Moody's, U.S. Futures, Com. Research.

Austrians Look for Protection

VIENNA — Chancellor Franz Vranitzky of Austria called Friday for a comprehensive strategy to protect Austrian companies from cheap imports from Eastern Europe.

Italy's Marzotto Bets On Clothing Business

VALDAGNO, Italy — At the Milan fashion shows starting next week, you won't see the name Marzotto. But many of the clothes worn on the backs of models for Ferré, Missoni and Biagiotti will be made by Marzotto & Figli SPA.

Porsche Sinks to Deeper Loss

STUTTGART — A deepening sales slump in almost all Porsche AG's major markets sent the automaker tumbling to a loss of 120 million Deutsche marks (\$73 million) in the first half of its business year, Porsche said Friday.

He said the company expected to produce between 15,000 and 17,000 cars in the year ending this July and to raise this to more than 30,000 cars annually by 1996-97.

U.S. Won't Indulge EC On Grappa and Ouzo

BRUSSELS — The European Community and the United States are nearing agreement to protect some of their leading liquors from imitators, but Italy and Greece are angry that grappa and ouzo are excluded, diplomats said Friday.

BNP Net Falls, Provisions for Losses Rise

PARIS — Banque Nationale de Paris said Friday its net profit had fallen nearly 30 percent last year, underscoring the shaky state of the French banking sector.

Rothmans Cigarette Plant for Russia

LONDON — Rothmans International PLC, trailing some of its rivals in creating a manufacturing base in Eastern Europe, on Friday announced that it would invest \$55 million (\$79 million) to build a joint-venture cigarette factory in St. Petersburg.

Although the Russian venture is the first capital investment by Rothmans in Eastern Europe, the company has licensing arrangements in Poland and the former Yugoslavia.

Investor's Europe. Table with columns for Frankfurt DAX, London FTSE 100 Index, Paris CAC 40, and various stock indices with their respective values and changes.

Very briefly:

- French household consumption fell 2.7 percent in January from December because of fewer car purchases but rose 3.74 percent excluding car purchases, the national statistics bureau said.

Marriott Buys a Top Budapest Hotel

BUDAPEST — Hungary's State Property Agency said on Friday it had agreed to sell the Duna Intercontinental hotel, one of the country's prime properties, to Marriott Corp.

STOCKS: Plunge in Rates Underlies Surge in Shares

(Continued from first finance page) available on the Treasury's highest-yielding 30-year bond, falls far short of the returns many money managers have promised to deliver.

percentage points more than bonds and much more than cash. Changes by a few large money managers, sometimes taking place step-by-step over days or weeks, can sometimes result in jagged market reactions that have little apparent relation to the day's news.

ENERGY: What Tax Base?

(Continued from first finance page) corporations because businesses generally buy their fuel at wholesale rates. That leaves the BTU tax — or rather the Clinton version, which has been modified to tax oil and hydropower more heavily than natural gas or coal in order to level the regional impact. It would do the job, raising \$22 billion in 1996.

Restaurants and hotels directory listing establishments like YUGARAJ, THOUMBELD, LE TOIT DE PARIS, and others with their addresses and phone numbers.

Advertisement for Sprint Express with the headline 'How do you call a foreign country when you're already in one? Pick a card, any card.'

Sprint Express advertisement featuring a hand holding several international calling cards and a detailed table of access numbers for various countries.

JOB: U.S. Employment Jumps, Dispelling Fears of Economic Slowdown

(Continued from page 1)
 Bush recovery" by spending money on a stimulus plan.
 Until now, there have been widespread complaints that the U.S. economic rebound, which got under way in the spring of 1991, has been fundamentally different from previous cyclical recoveries by being largely a "job-less recovery."
 The February employment gain was far in excess of analysts' forecasts of about 125,000 new jobs, but it may be a mistake to declare that the old U.S. jobs machine is now well-oiled and back on track, economists warned.
 "This is a sturdy economic expansion that should be picking up some steam later in the year," said Neil Ross, chief U.S. economist at

First Boston Co. in New York. "But there are obviously some seasonal exaggerations in the jobs data. I'm looking more for job growth of 150,000 a month—not 350,000 a month."
 The payroll employment jump of 365,000 was the biggest gain since January 1989, and the dip in the unemployment rate to 7.0 percent was the lowest since November 1991. The jobs rate peaked at 7.7 percent last June.
 "It is clear that the job market strengthened considerably in February," William G. Barron Jr., a Bureau of Labor Statistics official, told a congressional committee. But he urged caution in attributing too much significance to one month's report.
 Some economists were skeptical, for example, of the reported surge of 131,000 retail jobs and 96,000 in construction work, suggesting that unusual weather patterns may have interfered with normal seasonal adjustments.
 Nonetheless, the jobs report provided an almost uniformly positive reading for the future health of the economy. The sometimes widely disparate household survey used in calculating the unemployment rate echoed the payroll survey by recording a gain of 380,000 jobs.
 The total civilian labor force, after shrinking by more than 500,000 people in January, rose by 244,000 as more people successfully re-entered the labor market.
 Another hopeful sign for the future was a continuing increase in the hours worked at factories, which puts some added pressure on industrial companies to rehire workers to help bolster production. The factory workweek hit an "extraordinarily high" 41.5 hours, the Labor Department reported, up 0.4 hour since last October. Overtime was 4.2 hours, the highest on record.
 Still, many U.S. manufacturing companies, now that they have chalked up years of robust productivity gains, are unlikely to ever employ as many people as they once did. Services, as they have for decades, will have to account for the bulk of new jobs, but many service businesses are now going through their own painful restructuring in order to improve competitiveness.

NASDAQ

Friday's Prices
 NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	Low	Div	Yld	PE	100s	High	Low	Level	Chg
120	110	0.00	0.00	10	100	115	110	110	0
100	90	0.00	0.00	10	100	95	90	90	0
80	70	0.00	0.00	10	80	75	70	70	0
70	60	0.00	0.00	10	70	65	60	60	0
60	50	0.00	0.00	10	60	55	50	50	0
50	40	0.00	0.00	10	50	45	40	40	0
40	30	0.00	0.00	10	40	35	30	30	0
30	20	0.00	0.00	10	30	25	20	20	0
20	10	0.00	0.00	10	20	15	10	10	0
10	0	0.00	0.00	10	10	5	0	0	0

AMEX

Friday's Closing
 Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High	Low	Div	Yld	PE	100s	High	Low	Level	Chg
120	110	0.00	0.00	10	100	115	110	110	0
100	90	0.00	0.00	10	100	95	90	90	0
80	70	0.00	0.00	10	80	75	70	70	0
70	60	0.00	0.00	10	70	65	60	60	0
60	50	0.00	0.00	10	60	55	50	50	0
50	40	0.00	0.00	10	50	45	40	40	0
40	30	0.00	0.00	10	40	35	30	30	0
30	20	0.00	0.00	10	30	25	20	20	0
20	10	0.00	0.00	10	20	15	10	10	0
10	0	0.00	0.00	10	10	5	0	0	0

12 Month High	Low	Div	Yld	PE	100s	High	Low	Level	Chg
120	110	0.00	0.00	10	100	115	110	110	0
100	90	0.00	0.00	10	100	95	90	90	0
80	70	0.00	0.00	10	80	75	70	70	0
70	60	0.00	0.00	10	70	65	60	60	0
60	50	0.00	0.00	10	60	55	50	50	0
50	40	0.00	0.00	10	50	45	40	40	0
40	30	0.00	0.00	10	40	35	30	30	0
30	20	0.00	0.00	10	30	25	20	20	0
20	10	0.00	0.00	10	20	15	10	10	0
10	0	0.00	0.00	10	10	5	0	0	0

12 Month High	Low	Div	Yld	PE	100s	High	Low	Level	Chg
120	110	0.00	0.00	10	100	115	110	110	0
100	90	0.00	0.00	10	100	95	90	90	0
80	70	0.00	0.00	10	80	75	70	70	0
70	60	0.00	0.00	10	70	65	60	60	0
60	50	0.00	0.00	10	60	55	50	50	0
50	40	0.00	0.00	10	50	45	40	40	0
40	30	0.00	0.00	10	40	35	30	30	0
30	20	0.00	0.00	10	30	25	20	20	0
20	10	0.00	0.00	10	20	15	10	10	0
10	0	0.00	0.00	10	10	5	0	0	0

Handwritten scribble

Japan Trade Surplus May Be Peaking

TOKYO — Japan's current-account surplus, swelled by 80 percent in January, the government reported Friday. It was the 22d straight month the surplus had grown.

adjusted terms, because exports have basically stopped growing. "The basic uptrend is still there but it's very shallow and as soon as the Japanese economy shows the slightest sign of life, the surplus will come down," Mr. Barker said.

Later along the J-curve, the surplus should shrink as the strong yen impedes exports and spurs imports. But some reject that conventional wisdom, saying lower exports would send a sully economy further into the dumps.

What If They Gave a Tax Cut and Nobody Spent?

TOKYO — Political forces appear close to winning a battle to lower Japan's taxes, but many question if the move will pay off in terms of faster economic growth.

The Finance Ministry has long opposed lower taxes because it would likely be forced to finance the lost proceeds through deficit spending.

LDP are thought to like. Together, the cuts could total 4 trillion yen (\$34.4 billion). But Keikichi Honda, president of BOT International, the Bank of Tokyo's research arm, expressed a reservation felt by many.

Seoul Vows to End False-Name Trading

SEOUL — South Korea's new finance minister, embracing President Kim Young Sam's anticorruption drive, pledged Friday to end the widespread practice of trading under false names, triggering alarm bells in the business community.

Taipei — Taiwan's first balance-of-payments deficit in 12 years shows that an era of big surpluses is ending as the island's economy matures, bankers and economists said Friday.

Investor's Asia table with columns for Hong Kong, Singapore, Tokyo, etc. and rows for various indices like Hang Seng, Straits Times, Nikkei 225.

Very briefly: Sooy Corp., faced with a rising yen against the dollar, said it would raise prices of some audiovisual products it ships overseas.

NYSE

Friday's Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

NYSE High-Lows table with columns for 12 Month High/Low, Div, Yld, PE, etc.

NYSE High-Lows

NYSE High-Lows table with columns for New Highs and New Lows, listing various stocks.

Taiwan Payments Deficit Called Rite of Transition

TAIPEI — Taiwan's first balance-of-payments deficit in 12 years shows that an era of big surpluses is ending as the island's economy matures, bankers and economists said Friday.

Salomon Asia to Cut Staff

TOKYO — Salomon Brothers Asia, the Tokyo branch of the American investment bank, plans to reduce its 550-person staff in Tokyo by about 60 through voluntary retirements, a company spokesman said Friday.

ANNOUNCEMENT THE SHEPHEARD HOTEL. The Egyptian Hotels Company, an affiliated company of the Tourism Holding Company, owned by the Government of Egypt, announces the proposed divestiture of the Shephard Hotel.

Terrorism in New York The U.S. economy World trade conflicts The Russian leadership crisis The Japanese recession. Includes a subscription form for the IHT.

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INTERNATIONAL CLASSIFIED (Continued From Page 21) ESCORTS & GUIDES DOMINEX London Escort Agency

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Saturday-Sunday,
March 6-7, 1993
Page 18

THE MONEY REPORT

FIRST COLUMN Investors, Ecology and Greenbacks

HERE are no green investment funds to be found in Greece, Italy, Spain or Portugal, according to a recently produced survey by a U.K. investment manager. What does that tell you about those countries? Some might say it shows that they are backward, and that they just don't care about the state of the world. Others might argue it indicates that those countries are among the last bastions of civilization—places where people are still smart enough not to confuse making money in this uncaring capitalist world with feeling good about yourself.

The business of investing money for profit and then proclaiming that the investor is somehow doing good in the world is fraught with difficulty. And it's not just the fact that notions of what is and isn't ecologically sound or morally correct are hopelessly subjective. The real problem is profit. If investors want profit, that's what they'll get—and there are plenty of managers out there cynical enough to twist their ethical investment categories to squeeze in companies that are very profitable and only a little bit dirty.

What's surprising about green and ethical investment is that no one has really come clean and asked investors to commit money for something other than profit. The idea of the green audit is hardly new: Companies are independently assessed for their ecological practices. Money—and profit—do not come into it.

Investors committing cash to funds that invested in such companies might expect a return of green audit points—a report (printed on recycled paper) of what was being done with their money. Although many people might not readily accept what occurs in California as a role model, this type of audit occurs regularly there. And it makes sense.

But funds like this would, of course, be very difficult to market. Why? Because investors are still motivated by profit, even if some of them like to pretend otherwise.

M.B.

Pharmaceutical Stocks Swallow Some Bitter Pills

By Aline Sullivan

PHARMACEUTICAL stocks, hugely popular with investors for close to a decade thanks to their often phenomenal earnings growth, have tumbled in the past month. Even though the French chemicals giant Rhône-Poulenc produced results slightly ahead of expectations at the end of February, analysts like Nomura Securities were taking the view that the outlook for 1993 would be harsher for both health care and chemicals. As a consequence, forecasts have been downgraded.

Rhône-Poulenc suffers peculiarly from a general malaise: sensitivity to government decisions. As governments worldwide prune public health budgets, analysts agree that only the fittest companies will prosper. Telling the fit from the weak, however, is a difficult art.

The worst news for the industry in recent weeks has come from Europe. In Italy, Germany, Britain and France, governments are looking at ways of reducing the huge sums they spend every year on publicly prescribed drugs. In Italy at the beginning of January, no fewer than 704 drugs were taken off the list of medicines whose purchase can be reimbursed by the state. The British government is planning similar cutbacks in reimbursable drugs.

The German government has taken a different tack, but one just as unwelcome to the pharmaceutical companies. As of Jan. 1, the price paid by the state for new prescription drugs introduced over the previous eight months was cut by 5 percent. This came on top of a plan unveiled in 1989 to require patients to pay a larger share of the cost of reimbursable drugs.

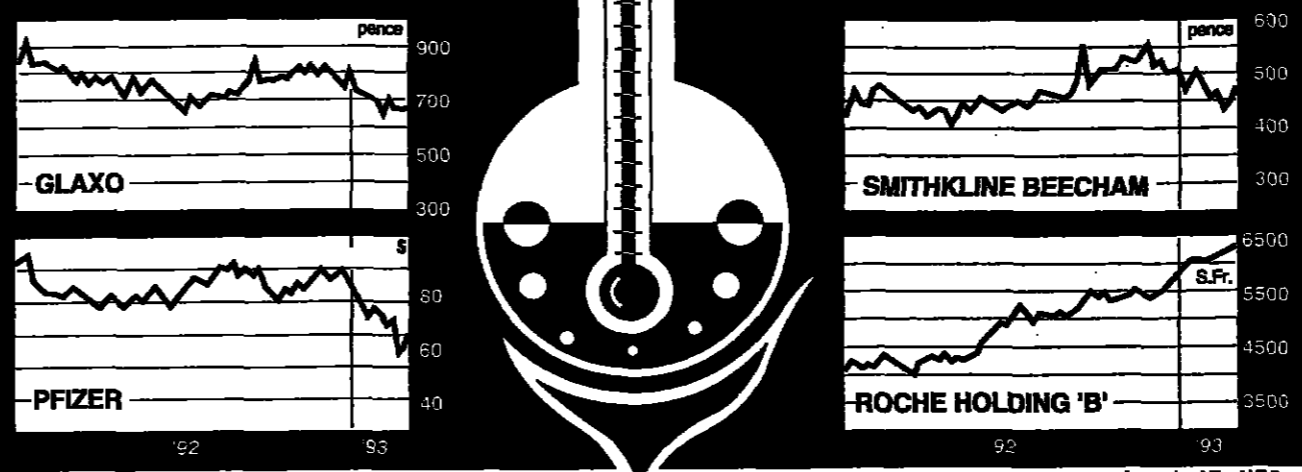
In France, the government has raised the tax that drug companies must pay on spending to promote their products. The logic behind this move is that around 80 percent of total French pharmaceutical sales take the form of reimbursable drugs sold through drugstores.

The price of these drugs is tightly regulated by the state and the manufacturers can only hope to swell profits by heavy sales promotion. In order to ensure that such advertising does not result in a heavier drugs bill to be paid by the state, the French government taxes the drug companies' promotional expenditure.

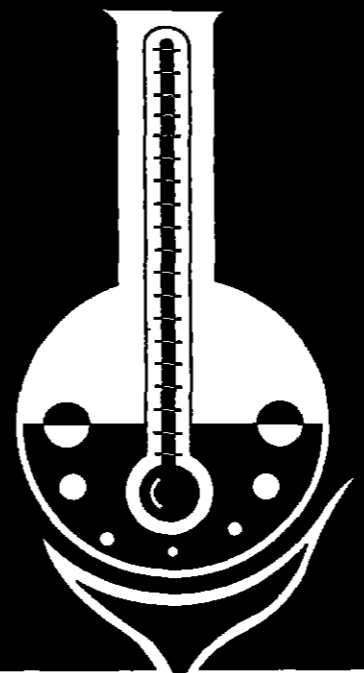
All these moves, plus the continuing un-

Seeking Equilibrium

Stock prices in local currency weekly since Jan. 1, 1992.



Source: Bloomberg Business News



certainty over President Bill Clinton's health-care reforms in the United States, has prompted stockbrokers to take a far more bearish view of the pharmaceuticals sector than was the case only a few months ago. Nomura Securities recently advised its clients to sell their holdings in the British drug companies Glaxo and SmithKline Beecham. At the beginning of February, Salomon Brothers withdrew its "buy" recommendation on the U.S. giants Merck and Pfizer.

One of the worst-hit companies has been Glaxo, which vies with Merck as the world's biggest drug company. Glaxo's share price on the London Stock Exchange has slumped by 13 percent in little more than a month. Its 655-pence-per-share price in early February represented a sorry contrast with its high of 900 pence (\$13) at the beginning of 1992.

City Wood-Gush, a pharmaceuticals analyst at Barclays de Zoete Wedd in London, admitted that Glaxo's share price looks very cheap. But he predicted that it would continue to underperform the market because of uncertainty in the United States, Glaxo's biggest market.

"The thing that is hitting Glaxo and other companies is that Clinton's plans to encourage the U.S. managed-care sector will mean that purchasers will only buy the cheapest products," said Mr. Wood-Gush. "It is difficult to know yet what the U.S. policy will be but a price war does seem likely."

Glaxo has other problems. Its anti-ulcer

In Europe, governments are looking at ways of reducing the sums they spend on drugs.

medicament Zantac is still the biggest selling drug in the world. But the U.S. companies Merck and Eli Lilly are threatening Zantac's dominance with their own products, known respectively as Pepcid and Axid. Competition from Losce, a drug made by Sweden's Astra, may also prove formidable.

In a surprise change of tack, Glaxo has

just announced that it will re-enter the over-the-counter (OTC) market for nonprescription drugs, from which it withdrew in the late 1980s. This dismayed the stock market even more; financial analysts worried that the heavy investment Glaxo would have to make to re-establish itself in this market would depress the company's earnings per share.

However, Mr. Wood-Gush described the step as a "necessary move." Glaxo's reasoning is that the OTC market will grow as governments remove drugs from their lists of reimbursable prescription drugs.

Others drug companies have come to the same conclusion. Roche of Switzerland has made OTC business a strategic priority, paying \$321 million in 1991 for Nicholas, then a British subsidiary of U.S. conglomerate Sara Lee that manufactures Roaccin, Europe's best-selling brand of indigestion tablet. The company is now Europe's fourth biggest OTC drug supplier, after Sanofi/Sterling, Rhône-Poulenc Rorer and Bayer.

Roche is rated a "buy" by J.P. Morgan Securities, partly on account of its push into the European OTC market. The stockbroker

expects the harmonization of Europe's laws governing the sale of nonprescription drugs to give a further boost to this market. At present, OTC products can be sold by groceries in Germany, but only by pharmacies in France.

Another major factor in valuing a drug company is the lifespan of the patents it holds. When a patent on a successful drug runs out, competitors will quickly come in with "generic" substitutes. This will happen with Glaxo's Zantac in the United States in 1995 if the company loses its current legal battle over the terms of its two U.S. patents.

Glaxo's lawyers are arguing that the longer-running of the two patents, which expires in 2002, should defer competitors from launching generic substitutes to Zantac. Other drug companies are hoping the field will be opened up with effect from 1995, when the first of the two patents expires. Earlring Retsman, an analyst at Nomura Research in London, said that it was "anyone's guess" whether Glaxo would win.

The management of Roche knows well how hard the loss of a patent can affect a drug company that has not prepared adequately. In the mid 1980s, the expiry of Roche's patent on Valium left the company facing the need for rapid diversification to make up for the loss of profits from its wonder drug. Profits languished while it struggled to adjust.

ACCORDING to J.P. Morgan analysts, Roche now has a relatively young portfolio of products, only 8 percent of which stand to be affected by patent expiries before the end of 1988.

Another litmus test investors can apply to pharmaceutical companies is to rank research and development spending as a proportion of sales. On this reading, Roche scores highly, devoting \$955 million to R&D in 1991, or 23.1 percent of pharmaceutical sales. In that same year, Pfizer of the United States spent 20.1 percent of sales on R&D; Merck, 13.7 percent; Glaxo, 14.1 percent; and Roche's Swiss rival Ciba-Geigy, 16.7 percent.

Of course, there is no guarantee that a huge R&D budget will produce a miracle drug or that a modest research budget will fail to do so. The companies that have succeeded in the past are those that have defended and marketed their wonder drugs effectively, but have not rested on their laurels. In the harsh new world of budget deficits and health-care cuts, that formula still looks sound.

A Handicapper Rates Newsletter Touts

By Michael D. McNicke

WHO could refuse a newsletter's offer to help readers make up to 600 percent on a "proven" investment strategy? That's the claim of just one out of hundreds of thriving publications in the United States specializing in providing financial advice.

Testimonials to the success of the tip sheets from "company presidents, accountants and investors" abound, even though such customer touts are illegal for investment advisers registered with the Securities and Exchange Commission, as well as most state securities cops. But even if a firm is registered, and complies with regulations, there is still no guarantee it will furnish useful investment recommendations. Moreover, newsletters that do not manage money at all are exempt from SEC rules, and can claim anything they want.

How do you find a respectable newsletter with a good track record? One way is to contact the man whom many newsletter publishers hate, Mark Hulbert. Mr. Hulbert publishes the Hulbert Financial Digest, based in Alexandria, Virginia. It gives current and historical total returns, as well as the risk ratings of more than a hundred of the most widely read and influential newsletters.

Louis Navellier, the top-rated publisher of the MPT Review, notes, "The industry as a whole tends to sell on greed or fear, and a lot of newsletters are entertainers versus credible analysts. Hulbert helps separate the wheat from the chaff... he has really been responsible for making us all much more professional."

Ratings may play an increasingly important role in the newsletter industry, which, including all categories (investment, noninvestment and general topics), is now a \$2 billion industry with roughly 20,000 titles. Financial newsletters are estimated to be a \$100 million segment. Mike Kibler, membership director of the Newsletter Association in Rosslyn, Virginia, notes there are now about 814 financial newsletters being published. However, he says, Mr. Hulbert is "the only one" rating them.

Picking a good newsletter, Mr. Hulbert says, should involve "looking at performance over a very long time... a minimum of five years... the key is over an entire market cycle. You want to include a bear and a bull market," so you can see what the letter can do in different economic conditions.

"Secondly," he said, "I tell people to look at performance in relationship to the amount of risk that's been incurred in the process. If a letter did twice as well, but took five times as much risk, then actually doing twice as well wasn't all that impressive."

With the wide variety of investment theories and strategies employed by newsletters, Mr. Hulbert says investors should try to find one they feel "comfortable following." He said, "It's no good follow-

ing it, even if it has a good record, if you're not going to feel comfortable following it; you're just not going to follow its recommendations no matter how much you think you ought to."

After years of studying newsletter performance, has Mr. Hulbert

"The industry as a whole tends to sell on greed or fear."

spotted the most successful investment approach? No, he says. When it comes to the various philosophies of making money, "I'm an agnostic; I rate them solely on performance."

So who performs? The guru of gurus says the higher score over a 12½-year period ending Dec. 31 was The Chartist, a Seal Beach,

Rating the Newsletter Industry



Source: The Hulbert Financial Digest

California, sheet run by Dan Sullivan, which turned in total returns of 807.6 percent, and The Chartist hit 513.3 percent in its 10-year rankings. As the publication's name suggests, Mr. Sullivan uses technical theories to make his selections.

"I use relative strength, and it's a buy-high, sell-higher approach," he said. "That's basically how I pick my stocks; I don't pay too much attention to the fundamentals. I pick up strictly from the chart patterns."

The Value Line Investment Survey, as well as the Value Line OTC Special Situations newsletter, also did well, ranking respectively second and third on the ratings with a

total return of 763.3 percent for the Survey, and 678.6 percent for the Special Situations letter.

Value Line's Survey uses about half a dozen factors to rate the 1,700 stocks it covers, including everything from the long-term history of relative earnings to earnings momentum and quarterly comparisons.

Samuel Eisenstadt, Value Line's research chairman, says, "The definitive word to describe the Survey is disciplined quantitative. I think that's what differentiates Value Line from the many others that are out there. It selects stocks by numbers."

Mr. Eisenstadt adds that the other top performer, OTC Special Situations, specializes in analyzing small emerging growth stocks and making selections of the ones that appear undervalued relative to their growth over the next three to five years. He says these stocks

system of stops," or sell orders at predetermined levels.

A second letter, the Zweig Performance Ratings Report, provides computer-generated reports on how individual stocks are expected to perform relative to each other," according to data on both letters furnished by Mr. Zweig's office.

Low on the ratings is Al Frank's newsletter, The Prudent Speculator, with a return of 509.2 percent. Mr. Frank touts for "bargain stocks," which he defines as "undervalued and often out of favor."

But he does favor a widely diversified portfolio, "25 to 30 or more," and adds that about 25 percent of the stocks we pick do not become profitable, but the ones that do, more than make up for the losers."

Shorter term, Mr. Hulbert's rankings list a handful of top performers over the past three and five years. James Collins's OTC Insight of Moraga, California, was the leader in the five-year ratings, with total return of 371.1 percent, and was third in the three-year period with returns of 178.3 in the model portfolio.

Mr. Collins says the investment strategy the newsletter employs is basically "bottoms up." He adds that while the emphasis is "fundamentalist," the letter uses a quantitative computer screen to sort through about 2,000 NASDAQ stocks.

James Oberweiss's newsletter, The Oberweiss Report, is based in Aurora, Illinois, and was second on the five-year rating at 359.6 percent, and came in first in the three-year rankings with 192.6 percent. Mr. Oberweiss "looks for companies where sales and revenues are growing at a 30 percent rate or faster."

Third in the five-year rating, at 243.3 percent, and fifth in the three-year ranks, at 148.4 percent, is B.I. Research, a one-man outfit run by Thomas Bishop, who tends to keep his selections limited to about eight picks a year out of a portfolio that on average includes a dozen stocks. An avowed fundamentalist, Mr. Bishop says he likes making his picks "the old-fashioned way."

Mr. Navellier's MPT Review is fourth in the five-year ranks, with a 317.1 percent return. He uses modern portfolio theory to construct a portfolio, "like an aggressive-growth mutual fund." However, he adds that with compounded annual returns of 33 percent a year, the results "are probably just as good as some of the best small-cap funds out there."

For technology addicts, particularly those in the medical segment, there is the five-year, fifth-ranked Medical Technology Stock Letter, with 916.6 percent; the letter is fourth in Mr. Hulbert's three-year rating, with a return of 177.9 percent.

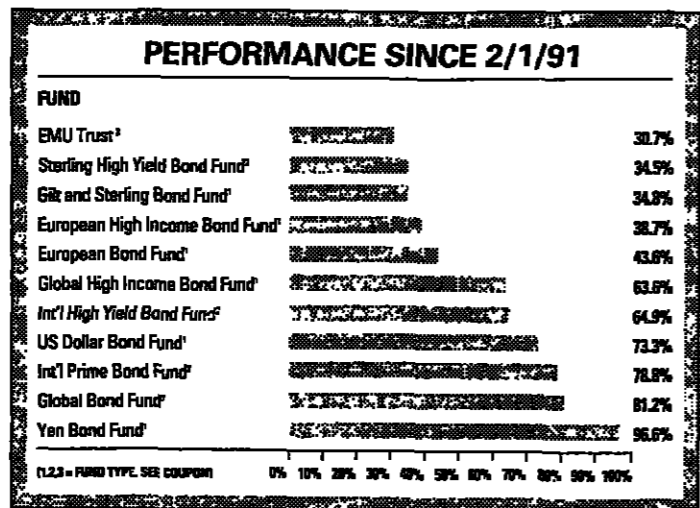
One last point. If you select a newsletter based on a Hulbert rating listed in an advertisement, be careful. Some newsletters have been known to fudge their Hulbert ratings, too.

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THE MONEY REPORT

As Euro-Currencies Shiver, It's Springtime for Speculators

By Philip Crawford

WHETHER the target is the British pound, the Irish punt, the Danish krone or the French franc, market assaults on currency values are a fact of life on the war-torn battlefield of today's Euro-economics.

There's also no denying that the attacks, regardless of how sinister or merely logical in nature one believes them to be, lend opportunities to smaller investors willing to make a play.

Activity in such speculation, that of wagering whether the value of one currency will rise or fall against another, usually against the Deutsche mark, is peaking amid the European Community's monetary crisis, say market analysts. Many warn that the practice can be extremely dangerous to one's financial health. Others, however, enthusiastically show the way toward the possible avenues, primarily short sells, options, and equity plays, calling them relatively safe for sophisticated investors.

There are a lot of inquiries these days, particularly on plays involving the French franc and the Deutsche mark," said Mick O'Connor, an options dealer at Lloyd's Bank in London. "If you guess right and

are willing to take a sizable risk, you can make yourself a lot of money."

Financial instruments involving the franc and the mark are popular because pressures against the franc are expected to build in the weeks leading up to the French national elections this month, say analysts.

The short sell is the most direct way to speculate on currency fluctuations, experts say. In such a play, an investor starts by borrowing a sum in a specific currency from a broker or banker. He then exchanges that currency for another which he feels will appreciate, usually in the short run, against the currency he borrowed. If he is right, he can later re-exchange the money, receiving a larger amount of the first currency than he originally borrowed, then pay back the loan (or "cover the short position") and keep the difference as profit.

The investor's costs are the interest his lender charges on the loan, plus the charges involved in exchanging currencies.

strong move in the direction you think it will, but you've also got to have a decent loan rate."

Another possible play, say experts, is the currency option. With this instrument, the investor pays a premium for the right to buy one currency with another at a specific exchange rate, within a prescribed

Currency options are commonly used by importers and exporters as protection against currency fluctuations.

period. Since the investor is borrowing just the right, not the obligation, to make a deal, his risk is limited to the cost of the option. On the other hand, options based on widely expected market movements are expensive.

Thus, an investor wagering that the British pound will fall in value against the Deutsche mark, for example, could buy a mark call/sterling put option — the right to sell pounds for marks at some point in the future, but at the current rate of exchange. If the pound did indeed fall, the investor would then have basically two choices: Selling his option, which would then have value, for more than he paid for it, or exercising it.

The latter case would work like

self, would gain those of borrowing and exchanging.

While the costs might seem prohibitive, particularly if the pound was expected to fall, some analysts say that the idea of turning a profit on such a deal is not all that far-fetched.

Take the example of a mark-/franc contract, since some — but by no means all — analysts are still predicting a run on the franc: "If

you picked the right equity before a devaluation, you could do quite well," said David Harding, the firm's managing director. "Such a company might be one which gets most of its revenue from exports to countries whose currencies have gained value against its own. Why? Because if it charges the same price in foreign money for its

goods, it gets more of its own currency in return. This boosts profits, which might lead to price cuts, increased market share, many things. If the company obtains its own raw materials domestically, so much the better."

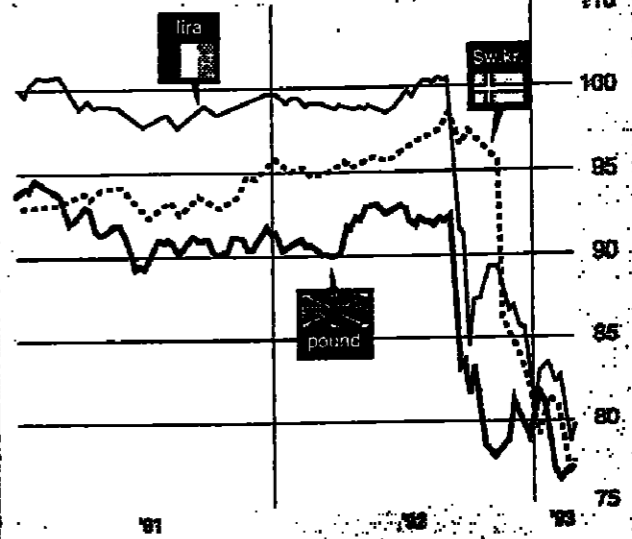
Indeed, were one betting on an overall currency devaluation and a corresponding stock market rally, another play would be to purchase an index call option. Such an instrument would give the investor the right to buy a basket of, say, CAC-40 or FTSE 100 stocks at a certain index level, one lower than where the investor thought the market would be by a certain date.

Making a play on currency slides with bonds appears to be a little less straightforward, if not less risky. "People worry about inflation at the long end of the yield curve, but locking in a long-term yield, like a 10-year bond, might be the thing to do," said a Paris-based bond analyst who insisted on anonymity. "With a devaluation, both long- and short-term rates would likely come down."

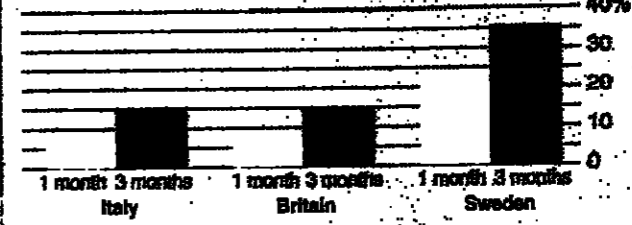
The advice on playing currency markets with futures: "Not advisable for the small or mid-sized investor with a portfolio of up to, perhaps, \$200,000," said Mr. Harding. "If you've got a portfolio of \$1 million, \$2 million, \$5 million, then you can do it."

Betting on Devaluation

Currencies trade-weighted value, 1985=100.



Stock markets' % rise following 1992 devaluations.



Source: Bank of England, Deustrearm, Adam, Harding & Loeck (stock markets)

Analysts' Estimates of Japanese Company Results

Table with 11 columns: COMPANY, End of financial year, Earnings est. for '92, Last month's est., % change, Last month's closing price, Current price, % change, P/E (est.), No. of analysts' est. used. Rows include JOSHIN DENKO, AMADA METRECS, AMADA CO LTD, DAIWA DANCHIP, PIONEER ELEC CORP, TANSEISHA(P), OKAMURA(P), IBJP, RITEC, DAICHI CORP(P), NICHII, SANSUIN ELEC(P), CAPCOM(P), HOKKO CHEM(P), HITACHI ELEC(P), SEGA ENTERPRISES, KAMEI(P), TOKYO SUSAN, YAMATAKE-HONEY, SHIMANO IND(P).

BRIEFCASE

Offshore Group Launches 2 Expatriate Pension Plans

International investors have a wider pension choice with the advent of two new plans designed by Continental-ISI Financial Management of Luxembourg in conjunction with PanEuroLife, also based in Luxembourg, and Sun Life International's Isle of Man division. To complete the offshore package, the plans are administered from Continental-ISI's offices in the Channel Island of Guernsey.

Both products have been designed for international investors and expatriates worldwide, and accept investments in dollars, German marks and other major currencies.

Investors who fancy that they know where the currency markets are going may be interested in the International Pension Account, which offers self-managed links to seven guaranteed money funds run by Sun Life International. Or investors can opt to have their cash mix chosen by a professional manager. There is also an option of investing a range of 30 unitized funds run by managers such as Thornton, Guinness Flight, Barclays and Barings.

The International Retirement Bond offers the choice of five guaranteed money funds and up to nine unitized funds. Managers include Standard Bank, Royal Belge, UAP and Sun Life.

"Purchasers of either product can opt for growth, income or a mixture of both through

our underlying range of funds, all of which allow investments to accumulate on a virtual tax-free basis," said David Ewart-White, a director of Continental-ISI.

The International Retirement Bond has a minimum entry level of \$7,500 or the equivalent in other currencies. The International Pension Account requires a minimum commitment of \$15,000 or the equivalent in other currencies.

For more information, write Continental-ISI, Continental House, 28 Cornet Street, St. Peter Port, Guernsey, Channel Islands; or call Guernsey (44 481) 715 174.

'Man of the Year' May Send Stocks Running for Cover

President Bill Clinton may not care for the criticism he has taken from some quarters over his economic program, but the praise he has gotten from another may have graver implications for his career and the stock market.

Time magazine named the president its "man of the year" before his term even started, even though "he hasn't actually done anything yet," notes the Dick Davis Digest, a financial newsletter. A presidential election was so honored three other times, and elect was so honored three other times, at least no good came of it for share owners, at least not right away.

After Franklin D. Roosevelt won Time's award, the stock market fell 17 percent between the first trading day of 1933 and

March 4, "when the nation's banking system was shut down," the digest says.

More recently, after Jimmy Carter, a figure never loved on Wall Street, was honored, stocks fell 20 percent from Jan. 1 until November 1977. After Ronald Reagan, who went on to be much loved on Wall Street, graded Time's cover, the market went down 15 percent from the start of 1981 until September that year.

Looking on the bright side, bull markets began not long after the bottom was touched in 1933 and 1981, and after they did, stocks never came close to those lows again.

'Green' and Ethical Funds Make Progress in Europe

Not everyone is convinced that green and ethical investments really help make the world a cleaner or a morally better place, but two facts are emerging from the investment industry: This kind of fund generally has a good track record; investors are increasingly attracted to them.

The U.K. investment management group Jupiter Tyndall Merin reports that up to 1987 there was just a handful of funds in Europe, excluding Britain, with some \$90 million under management. That figure has increased by more than 500 percent in the past five years. Luxembourg, France and Germany all had at least five funds, but no green funds were to be found in Greece, Italy, Spain or Portugal.

February Market Scoreboard

Table with 2 columns: Best Performers and Worst Performers. Lists various market indices and their performance metrics for February.

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On April 13th, the IHT will publish a special report on Private Banking. Among the topics to be covered are: Expanding services to well-off clients, Heightened competition, Protecting the client's secrecy, Old, established private bankers vs. the new players, International asset management and protection. For advertising information, please contact Juanita Caspari in Paris at (33-1) 46 37 93 76.

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SPORTS BASEBALL

A Fresh Brand of Hustle for Pete Rose

By Ira Berkow

BOCA RATON, Florida — In a modestly lighted corner of the Pete Rose Ballpark Café, the familiar-looking man with the broad face and direct eyes and slightly upturned lip sat in a booth and wrote his signature in blue pen on a stack of cards with his baseball picture.

player now for eight years, and out of baseball for three years, and out of prison for two years. He signed an agreement in August 1989 with Bart Giamatti, the commissioner of baseball, to accept being placed on baseball's permanently ineligible list.

The thrilling and rewarding world of baseball is no more for him.

He believes that his was a Hall of Fame baseball career and he deserves at least a chance to be voted in. But as he sat in his booth in this combination family-style restaurant and sports lounge, hawking T-shirts and signing autographs, Rose seemed every bit the outsider, looking in on a game that once was his life and now is his business.

and a marketing program for Charlie Hustle's Dip and Sautes, and a soon-to-be-released energy drink, Power Pins, the Hit King line of apparel, and a weekly sports radio talk show, Rose appears to be on his way back financially. Rose lost more than his image and prestige. He lost a lot of money, in earnings and debts. He had to pay \$366,043 in back taxes and penalties to the Internal Revenue Service.



Deriving money, if not pleasure, from baseball: "John Q. Public has given me a second chance."

Progress? A Baseball Purist's Lament

By Thomas Boswell

WASHINGTON — Abner Doubleday invents baseball in 1839 in Cooperstown, (Maybe.) Cincinnati Red Stockings declare themselves the first professional baseball team in 1869. The American League is created in 1900.

Vantage Point

The first World Series is played in 1903. Babe Ruth inspires the creation of the lively ball in 1920. Jackie Robinson breaks color barrier in 1947. Baseball expands for the first time in 1960 and 1961.

vor these changes and expect to push them through, who's going to stop them? There is no commissioner to act in the best interests of the game. (The union likes all these changes.) The owners control the basic structure of the sport with nobody to stop them.

IN FAIRNESS, it should be pointed out that some old-timers still hate the lively ball and will tell you the game was snazzier, more strategic, in the dead-ball days. Some fans still long for the days of 16 teams. Some purists still hate the league championship series.

IF THERE had been wild cards in 1951, I nobody would have heard Bobby Thompson's "shot heard round the world." Both the Giants and Dodgers would have had "playoff berths" locked up early.

But the feeling is that expanded eight-team playoffs are a horrible idea that strikes at the very heart of baseball's summering appeal. When only one team from each division makes the playoffs, the purpose of the season is to find out who is the very best.

YET baseball continues. Francisco Cabrera, an unknown reserve, hits that miserable jacked-up ball through the infield in a game forced past midnight to please television in the seventh game of an interminable National League championship series between two teams of overpaid slackers.

Still, if you despise any of Thursday's changes, especially eight-team playoffs, which has the most backing, you better act fast. Only a major fan uprising can undo what was done.

SCOREBOARD

BASKETBALL

Table with columns for Eastern Conference, Western Conference, and NBA Standings.

Major League Scores

Table showing scores for various MLB games, including Atlanta vs. Kansas City, Boston vs. Detroit, etc.

HOCKEY

NHL Standings

Table with columns for Eastern Conference and Western Conference.

BASEBALL

Table with columns for Major League Scores, including Philadelphia vs. St. Louis, etc.

CRICKET

Table with columns for International matches, including Australia vs. Sri Lanka.

SOCCER

Table with columns for FIFA World Youth Championship and other soccer matches.

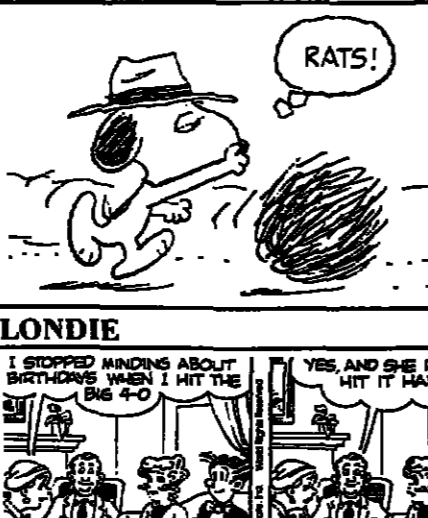
TRANSACTIONS

BASEBALL American League CLEVELAND—Awarded to 3-year contract with Albert Pujols, outfielder.

DENNIS THE MENACE



PEANUTS



BLONDIE



WIZARD OF ID



REX MORGAN



GARFIELD



DOONESBURY



Word game section titled 'JUMBLE' with a grid and instructions for playing.

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SPORTS ATHLETICS

Gibbs Quits As Coach Of NFL's Redskins

ASHBURN, Virginia — Joe Gibbs, who led the Washington Redskins to three Super Bowl victories in a dozen years as head coach, retired on Friday. Officials of the National Football League confirmed that Gibbs was leaving and an announcement was expected later Friday. Richie Peterson, assistant head coach for defense, is expected to replace him. Gibbs, 52, "feels it's time to go," said the offensive line coach, Jim Hanifan.

Unspecified health concerns were a significant factor, said an official familiar with the situation. Hanifan stressed that while Gibbs' health was fine, the fatigue that comes with a dozen years of coaching had caused him to re-evaluate his plans for the future. Since taking over the Redskins in 1981, Gibbs compiled a record of 24-60. During his first year, the team went 8-8 record. But they won the Super Bowl the following season, and again after the 1987 and 1991 seasons.

Gibbs is one of just three coaches in NFL history to win three Super Bowls, and only one, Vince Lombardi, had a better postseason winning percentage. Last season, Gibbs presided over a team beset with injuries that struggled to make the playoffs. It lost in a divisional playoff to San Francisco after defeating Minnesota in a wild-card game.

Gibbs' coaching career began at San Diego State University in 1964, and he moved on to Florida State in 1967. He worked under John McKay at USC in 1969 and 1970. He spent two years as an assistant in Arkansas before moving to the NFL in 1973, when he became offensive backfield coach for the St. Louis Cardinals. He became Tampa Bay's offensive coordinator in 1978, then took the same post in 1979 with the Chargers, his last job before joining the Redskins.

Gibbs Opt for Simms Phil Simms has agreed to a two-year contract with the New York Giants worth \$3,050,000, according to the quarterback's agent, The New York Times reported. He will earn salaries of \$2.3 million this year and next, making him the highest-paid QB. Simms also will collect a bonus of \$450,000 this year. The agent, David Fisher, said Simms, 37, spoke on Wednesday night with Don Reeves, the Giants' new coach, who told Simms he wanted him to return. Jeff Hostetler, who had also been in the running for the quarterback spot, said Reeves telephoned him Thursday to tell him he had picked Simms. Hostetler, 31, said he was now considering other teams, including the Minnesota Vikings.

IAAF Bans Johnson for Life After His 2d Doping Offense

By Ian Thomson International Herald Tribune PARIS — Ben Johnson, who from the world's fastest man became the scourge of athletics and then its stumbling point, was revealed again Friday. He crossed his finish line. He was suspended for life after failing a drug test administered Jan. 17 in Montreal, the second positive test of his career, according to the International Amateur Athletic Federation. Johnson, who had been running world-class times recently, can appeal to the Canadian track federation. At his last such hearing, when he failed the drug test that cost him his 1988 Olympic gold medal and world record in the 100 meters, he admitted guilt and won forgiveness. A two-time loser at 31, Johnson has almost no chance of rescuing his career. He could decide, however, to seek satisfaction in a mud-slinging legal contest with the wobbly IAAF, which moved to deal with Johnson's test only after its disclosure by the Toronto Star on Wednesday.

The IAAF's credibility has been weakened by its suspension of Butch Reynolds of the United States, the 400-meter world-record holder, whose claims that his drug test had been mishandled resulted in his winning a \$7 million lawsuit against the federation in a U.S. court. The IAAF has refused to recognize the American court's jurisdiction.

The chairman of the doping commission predicted that Johnson would not succeed if he challenged the IAAF ruling. "I see no reason or no grounds, when you're looking at the analytical data that we have on this athlete over eight years now," said the official, Arne Ljungqvist of Sweden. The data showed that Johnson had long maintained a ratio of 1-to-1 between the hormones testosterone and epitestosterone. Testosterone is a steroid-related substance that enables athletes to train strenuously and recover quickly. A 6-to-1 ratio between testosterone and epitestosterone is considered a positive test. Johnson's ratio was 10.3-to-1. "This is a clear-cut test of testosterone doping," said Ljungqvist. But in Toronto, Johnson's attorney, Terrence O'Sullivan, said in a statement, "Mr. Johnson stands by his earlier statement that he has taken no prohibited substances and has engaged in no improper practices."

Johnson, who was not represented at the IAAF session on Friday, made similar denials while he was being stripped of his Olympic medal in Seoul. He has no credibility. As coincidence might have it in these litigious times, he is the safest big-name athlete the IAAF could suspend.

"All sorts of contingencies are being discussed," said another of Johnson's lawyers, David Kent. "There is an appeal procedure, but I can't say yet exactly what's being discussed." If Johnson is going to take on the IAAF, he will apparently get little backing from his country. The 1988 Olympic Games doping offense by this athlete was a tragic embarrassment to the world amateur sport movement and to Canada.

The president of Athletics Canada, Paul Dupre, said in a statement. "This second doping offense by Ben Johnson, while tragic in human terms, is equally serious," he added. "Now this former athlete, alone, must assume the burden of this latest embarrassment." Said Pierre Cardinal, Canada's minister for youth, fitness and amateur sport: "We still have individuals who choose to violate the values and rules of sport and thereby damage the very integrity and essence of sport. They also pervert the playing field and hurt the sincerity and commit-

ment of the tens of thousands of Canadian athletes who participate fairly and with integrity." Johnson was tested three times in five days in Canada in January. He failed the second of those, a random test administered to competitors at a meet in Montreal. Johnson should have anticipated it. Two days later his testosterone count was back to normal levels. The hormone can be eliminated quickly from the body, Ljungqvist said. A second sample from Johnson's positive test was analyzed twice in February, according to the IAAF's general secretary, Istan Gyulai. Johnson was represented at the sessions by an attorney on Feb. 15 and by a "scientific expert" on Feb. 16. The IAAF doping commission had planned to judge the test data after the world indoor championships March 12-14 in Toronto. Gyulai said that had Johnson qualified for that meet — he did not — the IAAF would have examined his suspicious test results before allowing him to race.

When the story broke in Canada, the IAAF called its doping commission to Paris for the special session. The commission's members included Ljungqvist, Dr. Gabriel Dolle of France, Manfred Donike of Germany, Antonio dal Monte of Italy and Frank Greenberg of the United States. Having tested positive for the anabolic steroid stanozolol at the Olympics, Johnson told Canada's

special Dublin Inquiry on drugs in sports in 1989 that he had been taking steroids and human-growth hormone for eight years. He served a two-year suspension, returning to competition in 1991, meeker and physically smaller. His best time in the 100 meters was 10.16 seconds, 0.37 seconds slower than his banished world-record time. The experiment of Johnson praising the drug-free life was a failure. As he stumbled miserably out of the blocks in the 100-meter semifinal at the 1992 Barcelona Olympics, unable to qualify for the final, it was apparent that he was professionally happier with drugs than he had been without them. In January he announced: "I'm ready to do something this year. I'm going to shock the world again one more time."

He won something. He won the 50 meters Feb. 7 in Grenoble, France, in 5.65 seconds, just 0.04 seconds longer than the world record. On Feb. 18 he arrived in Winnipeg for the Canadian indoor championships. There he might have qualified for the world championships in Toronto. He was seen as a medal favorite. This time, five years since the last, he was stopped at the border. Apparently someone advised him, or else he figured it out for himself. Ben Johnson left Winnipeg complaining of a leg injury the same day he arrived, and now, it seems sure, he is never going to race again.

SIDELINES

Larry Bird Undergoes Back Surgery BOSTON (UPI) — The former Boston Celtics star forward Larry Bird was recovering in a Boston hospital Friday after undergoing five hours of back surgery.

Three surgeons operated on Bird's back, including the Celtics' team surgeon, Dr. Arnold Scheller. They performed a spinal decompression and fusion to relieve narrowing and instability in his spine. Ratray said Bird would have to undergo six to eight months of rehabilitation. Bird, an 11-time all-star in his 12 seasons with Boston, has been suffering from back pain since fracturing two vertebrae during an off-season scrimmage in July 1989. He underwent back surgery to remove pressure on a spinal nerve on June 7, 1991.

'94 Cup Tickets? Not Yet in the U.S. NEW YORK (NYT) — Soccer fans abroad will soon be able to purchase strips of tickets to follow their favorite team through all of its 1994 World Cup matches in the United States. That same privilege, however, may not be afforded Americans for some time.

World Cup USA on Thursday announced the formation of World Cup Travel Services, a network of licensed travel agents who will sell sets of tickets and hotel rooms to international fans. The tickets plans include one in which customers can select a team, and follow that team as it plays at several different sites. In an effort to promote competitive prices, the tour operators will not own exclusive rights to the sale of these packages. Costs could be high, in any case. There are still no specific discount flight rates available on American Airlines, the official airline of the World Cup.

Senate Targets Baseball Exemption WASHINGTON (NYT) — In a long anticipated move, Senator Howard M. Metzenbaum of Ohio introduced legislation that would eliminate major league baseball's 70-year-old exemption from federal antitrust laws. The Democrat said on Thursday that the 1922 Supreme Court ruling, which exempted the major leagues from antitrust laws on the ground that the game could not be considered interstate commerce, no longer applies. He said that because baseball affects the public's taxes, the economies of local communities and the cost of cable television service, it should abide by the same rules that govern other industries. "Baseball is big business," said Metzenbaum, chairman of the subcommittee on antitrust, monopolies and business rights of the Senate Judiciary Committee. "It's a billion and a half-dollar business, and it doesn't need nor does it deserve any special treatment under our antitrust laws."

For the Record Francesco Antonelli, 22, one of AC Milan's regular goalkeepers, will be sidelined for six months following knee surgery performed Friday, the Italian soccer club's doctors said. The National Basketball Association's Dallas Mavericks signed Jim Jackson, their top draft, to a six-year contract reportedly worth \$21 million on Thursday.

Indiana: A Night of Milestones

Calbert Chaney disposed of Glen Rice, Steve Alford and Mike McGee, and is now the Big Ten's leading career scorer. Bob Knight was also celebrating Thursday night as Indiana clinched at least a share of the Big Ten title by routing Northwestern, 98-69, in

Bloomington, Indiana. It was a record 19th conference title for the Hoosiers, and Knight tied the career record for titles in a career with Figgie Lambert, who won 11 at Purdue between 1921 and 1940. But the focus was on Chaney, who had 34 points to run his career total to 2,468, a Big Ten record. He scored the first seven points of the game and went past Rice's record of 2,442 on a three-pointer with 6:12 to go in the first half. But Chaney went cold after making his first three shots as Northwestern (7-17, 2-13) actually held a 25-24 lead over the Hoosiers (26-3, 1-15-1).

He finally got it back in gear, and so did the Hoosiers. Chaney, whose last points on two free throws gave Indiana an 84-57 lead, left with 4:10 to go. Oklahoma 74, No. 3 Arizona 71: Murray hit three free throws in the final two minutes, then blocked Damon Stoudamire's 3-point attempt at the buzzer as California ended the nation's longest winning streak at 19 games. Murray scored the final four points of the game for Cal (16-8, 8-6 in the Pac-10), including a free throw with six sec-

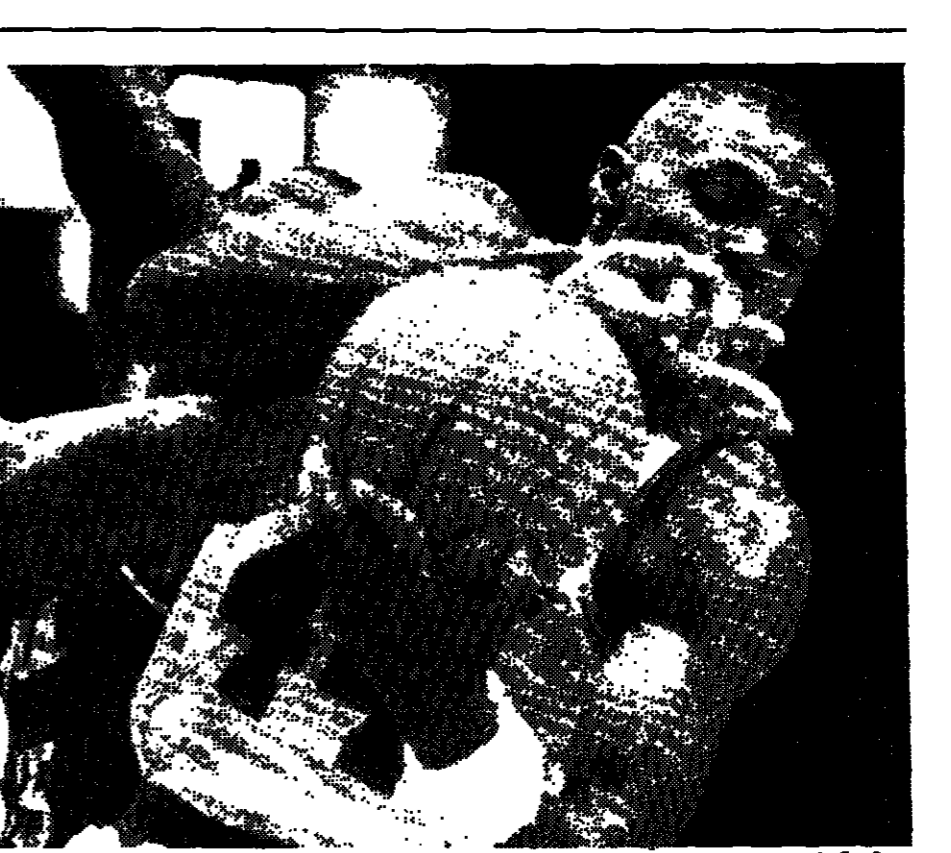
onds left that clinched the victory over the Wildcats (21-3, 14-1). New Mexico 69, No. 9 Utah 59: In Albuquerque, New Mexico, Ike Williams scored 26 points for New Mexico (20-6, 12-5 Western Athletic Conference), which reached 20 victories for the seventh straight season. Utah (22-4, 15-2) had its seven-game conference winning streak snapped and lost for only the second time in 19 games. No. 11 Florida St. 83, Georgia Tech 82: Florida State blew a 15-point lead, then rallied in the final 10 minutes as Bob Sura led the way with 22 points in Atlanta. FSU finished the regular season 22-8 and

This is a clear-cut test of testosterone doping.

Arne Ljungqvist, chairman of IAAF doping commission



Ken Norman of the Clippers and Washington's Harvey Grant got tangled up in battle for the ball. Los Angeles triumphed, 117-98.



Ken Norman of the Clippers and Washington's Harvey Grant got tangled up in battle for the ball. Los Angeles triumphed, 117-98.

climbed second place in the Atlantic Coast Conference at 12-4. Tech fell to 15-10 and 7-8. No. 16 UNLV 96, Cal-Irvine 74: The Runnin' Rebels (20-5, 13-4) beat Cal-Irvine for the sixth consecutive time as J. R. Rider scored 25 of his 34 points in the second half and Dexter Boney had 24 in Irvine, California. But New Mexico State mathematically clinched the Big West title with a 78-70 triumph at Cal State Fullerton. No. 19 Oklahoma State 114, Oral Roberts 85: Bryant Reeves, Brooks Thompson and Fred Burley all had career nights for the Cowboys as they finally shook off visit-

ing Oral Roberts in the final game for ORU's coach, Ken Trickey. Burley scored 35, Thompson had 33 and Reeves 31, and the Cowboys (19-6) needed them. Oral Roberts only trailed 88-83 before Oklahoma State outscored the Titans 26-2 in the final six minutes. The Cowboys had beaten ORU (5-22) by 45 earlier this season. Va. Commonwealth 77, No. 20 Tulane 65 (OT): In New Orleans, Sherron Mills had 19 points and 19 rebounds in leading Virginia Commonwealth (18-7 and 7-4 in the Metro), which made only one of five free-throw attempts in regulation, but hit 12 of 15 in overtime and outscored the Green Wave (20-7, 8-3) 21-9 in the extra period.

No. 21 BYU 84, UTEP 63: In El Paso, Texas, Gary Trost and Nick Sanderson led the Cougars (23-3, 15-2), who moved into a first place with Utah in the WAC. No. 22 Louisville 86, Virginia Tech 61: In Louisville, Kentucky, the Cardinals (17-8) finally got back to their spot atop the Metro Conference, winning their 10th title in 17 years, but first since 1900. Greg Minor had 17 points and 10 rebounds for Louisville, whose 11-1 conference record is its best since a 12-0 mark in 1983.

INTERNATIONAL CLASSIFIED. A large section containing various classified advertisements categorized into sections such as: MOVING (listing international movers like Interdean and Move Plus); BUSINESS TRAVEL (listing travel agencies); REAL ESTATE TO RENT/LEASE (listing properties in Paris, France and other locations); AUTOS TAX FREE; ANTIQUES; GOING ONCE, TWICE, SOLD!!! INTERNATIONAL ART EXHIBITIONS AUCTION SALES' COLLECTOR'S GUIDES IN SATURDAY'S INTERNATIONAL HERALD TRIBUNE TODAY; COLLEGES & UNIVERSITIES; WINE & SPIRITS; and WORLD YOUTH FORUM. The World Youth Forum advertisement includes contact information for the promotion department at the International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92621 Neuilly Cedex, France.

Vertical text on the left edge of the page, including "IEFS", "ny in Israel", "Bonn's LVM", "Southern Port", "Scandal Falls", "GIBBS", "ria Fri", "d for Tel", "SOUND EXCLUSIVE CONFIDENTIAL INTERNATIONAL OFFICE FRANKFURT - IN THE HEART OF EUROPE", "A YOUNG COSMOPOLITAN LADY...", "INTL TOP MANAGER...", "WORLDWIDE PRODUCTIONS LTD.", "International Herald Tribune ads work".

Vertical text on the right edge of the page, including "cials", "l for", "no", "tion", "to", "get", "a", "den", "anip-", "an.", "it", "entom", "omic", "prod-", "fmin-", "ether", "ster.", "list.", "given", "that", "ans.", "r for", "hou-", "Jobs", "in", "f-akers", "flect-", "talla-", "for", "stead", "arles", "Caro-", "in", "in", "rain-", "t Me-", "are", "a", "ree", "is", "bases", "fewer", "erals", "ids", "of", "pared", "y", "that", "s.", "or", "large-", "s. are", "1", "for", "exist-", "com-", "flect", "and", "a", "rines.", "Page 17 FOR MORE CLASSIFIEDS", "WORLD YOUTH FORUM".

DAVE BARRY

It's Tax Relief Time!

Miami - O.K., middle-class taxpayers! April 15 is right around the corner! Time for your Tax Relief!

Remember? Last year, during the election campaign, William Jefferson Clinton... Dave Barry's column discussing tax relief and government spending.

YOU will, one way or another, pay more money to the government. THE GOVERNMENT will spend it on critical programs such as the Space Toilet.

Of course it is not the business of us taxpayers to question such expenditures. We're too stupid to understand our own tax forms...

No! Strike that! The reason President Clinton had to reassess his position is that, after he got elected, he learned about a shocking development: The federal budget deficit is very big.

CLINTON (shocked): No! AIDES: Also, the pope is Catholic. CLINTON: This is unbelievable!

So, you middle-class people can forget about Tax Relief. But you will be pleased to learn that President Clinton has come up with a new post-election idea, which is: Sacrifice.

Bigger Than Life: So What's the Fuss?

By Bernard Weinraub

LOS ANGELES — It was just a few days before Arnold Schwarzenegger flew to New York to start filming in the real Times Square.

John McTiernan, the director of the movie being filmed, "Last Action Hero," yelled, "Cut!" The rain stopped. Schwarzenegger, arguably the town's biggest star in more ways than one, shrugged and walked from the cameras.

The boy laughed. Schwarzenegger posed for a photo with some young women, his bulging forearms on their shoulders. An assistant director walked over and apologized for the delay.

In contrast to other movie stars, Schwarzenegger, at 45, seems a little less obsessed with his age, his career and his future. Not that he doesn't take them very seriously.

"Well, look, most actors take themselves too seriously," he said, blowing smoke rings in his trailer at the Sony Studios in Culver City.

It's no different than me taking bodybuilding seriously. If somebody talks to me about bodybuilding in a very serious way, I say, 'Hey, wait a minute, what are you talking about? Let's be honest. It's nonsense. Fifty guys standing around in their little posing trunks with oil slapped on their body, showing off and posing in front of 5,000 people. It's a joke.'

His new film, which has largely been shot in Los Angeles but is shooting in New York until March 16, is something of a fantasy joke. The film is about a movie hero named Jack Slater (Schwarzenegger) and his adventures with a boy who is blasted out of his theater seat into a movie-within-a-movie.

While in New York, Schwarzenegger follows a typically rigorous regimen. He spends most mornings at the World Gym near Lincoln Center. Later, he drops in (accompanied by plenty of photographers) to his favorite restaurant in town, Planet Hollywood.

Schwarzenegger is not quite in the De Niro or Pacino mode of total absorption into his character. With a degree in business and economics from the



A balloon of Arnold Schwarzenegger, a promotion for "Last Action Hero," looms above Times Square.

University of Wisconsin and with an unerring sense of knowing how to sell himself, Schwarzenegger is on the phone about his production company, Oak Productions (as a bodybuilder he was known as the Austrian Oak), his real estate holdings and his restaurants — Planet Hollywood (in New York; Newport Beach, California, and Cancun, Mexico) and Scharzi in Santa Monica, California.

In Hollywood, while Schwarzenegger was making phone calls, McTiernan directed him in the highly successful 1987 film "Predator," sat slumped in his chair, exhausted. McTiernan had been working 14-hour days, almost seven days a week, for five months, to complete the Columbia Pictures film in time to open in June.

"Kidding himself has always been part of the essence of Arnold's appeal," McTiernan said. "There's always a wink in what he does. Arnold has a huge ego, but not in the sense that that word is normally used. He's not insecure. He's not threatened. He can let people laugh at him. He's very unusual in that way. He's probably the most rational star I've ever met. He's not really an actor. He has a whole other life. His ego isn't at stake in this."

In the movie-within-a-movie, Schwarzenegger kids himself remorselessly. "It was Arnold's idea to keep making fun of himself," McTiernan said. "In one scene, he goes to

a premiere with Maria, and she whispers in his ear, while smiling at the cameras, 'Please don't plug the restaurants this time.' It's what she often tells him. And of course, he does it and she yanks him away."

Shriver, who is pregnant, has visited the set several times with the couple's two daughters, Katherine Eunice, 3, and Christina Aurelia, who is nearly 2.

Told that he not only looks remarkably fit but also seems quite assured at 45, an age when most stars are worried about their age and physique, he laughed. "Why worry?" he said. "I feel better than ever. I look better than ever. It has nothing to do with actors but with people in general."

"I go to the gym every day for probably the last 27 years. I know the characters that come through here. Some of them are worried about every little thing. And some don't give a damn about anything. Some people are continually running around with bottles of water, making sure they continually have a flow of water, so they can clear their bodies and don't get kidney stones. Give me a break."

"Why worry? Big deal." "I'm depressed. I was in front of the mirror and saw a wrinkle around my eyes. What should I do? And I think to myself: 'Why worry? Big deal.'"

Bob Rafelson, the director, said to me years ago: "Don't do any war movies or Westerns till you're 40, 45, because that's when you start looking interesting. You have good bone structure; it'll get better."

"I was insulted. I thought, wait a minute, I look great. What's he knocking my face for? But he was so right. Now I understand it. You get to be a certain age — it's a plus."

Maybe for Schwarzenegger. Largely because the character he plays are not especially young, he views his future in movies as following the path of stars who aged elegantly, like Cary Grant.

No star in the last decade has equaled his success. His most recent film, "Terminator 2: Judgment Day," grossed \$490 million worldwide. His 1990 movie, "Total Recall," grossed \$242 million worldwide. His comedies, including "Twins" and "Kindergarten Cop," were big hits.

Schwarzenegger made his directorial debut in 1990 with an episode of Home Box Office's "Tales From the Crypt." Recently, he directed a two-hour film, "Christmas in Connecticut," for the Turner Network.

"I love directing," he said. "I like it more than acting. The responsibility you have for everything — I love it. An aide knocked on the door and said filming was about to start. Schwarzenegger was asked about the possibility of a political career. Despite his marriage to a member of the Kennedy family, he is a Republican. He has been mentioned as a potential gubernatorial candidate.

"Why should I run for governor?" he asked. "Look at the life I have now. I can sit here casually, smoking a cigar. I couldn't do that in the governor's office. They'd attack me immediately and say I look like a gangster."

Is it complicated for him to be a Republican in the Kennedy family? "No," Schwarzenegger said as he left his trailer in the midday sun and walked to the same sound stage where "The Wizard of Oz" and "Singing in the Rain" were filmed.

"The trick is to have a sense of humor — not to take it too seriously," he said. "That's what it's all about. A sense of humor."

PEOPLE

Munich Is Up in Arms To Back Famous Chef

One of Germany's most celebrated chefs, Eckart Witzmann of the famous Munich restaurant Aubergine, admitted Friday at the opening of his trial on drug charges that he had been a cocaine user. If found guilty, Witzmann, an Austrian, could lose his license to operate his Michelin three-star restaurant, which would be a serious setback to gourmet in a country still plagued by pork-and-sausage stereotypes. Instead, the chef's friends took out a newspaper ad to show their support. "Thank you, Eckart Witzmann! Witzmann, who was denounced by a jealous former girlfriend, said he had started therapy and was no longer dependent on cocaine."

Whitney Houston and her husband, fellow singer Bobby Brown, are the parents of a baby girl. The child is Houston's first and Brown's fourth.

The director of "A Place in the World," the first film to have an Oscar nomination rescinded, has filed suit for reinstatement. The Academy of Motion Picture Arts and Sciences, the target of the suit, disqualified the movie last week after it was submitted by Uruguay, contending that it was largely an Argentine production. The suit by the Argentine director, Adolfo Aristarain, says that one of the Uruguayan plaintiffs, Kathy Saravali, created the story, researched it for two years and wrote it. She was also the costume director and casting director.

Katharine Hepburn has been hospitalized for exhaustion. The 85-year-old actress will spend a few days in a Hartford, Connecticut, hospital, Ellsworth Grant, her brother-in-law, said.

Princess Diana was greeted by thousands of bare-footed villagers when she arrived by helicopter at the sixth-century town of Farama, Nepal.

INTERNATIONAL CLASSIFIED Appears on Pages 8, 9 & 21

WEATHER

Weather forecast section including maps for Europe, North America, Asia, and Oceania, with temperature and precipitation data.

SOUND OUT THE SONGS By Betty Jorgensen

Crossword puzzle section with clues for various songs and artists, including '57 Maxine', '92 Scads', and '1 What Riddick'.

BOOKS

POET AND DANCER

By Ruth Praver Jhabvala. 199 pages. \$19.95. Doubleday. Reviewed by Francine Prose

WHEN people say that a narrative, or a life, has a fairy-tale quality, what they generally have in mind is the Disney version of "Cinderella": the graying scullery-maid-to-princess trajectory, the handsome prince, the sunny romantic wish-fulfillment. Reading Ruth Praver Jhabvala's 11th novel, "Poet and Dancer," one thinks of ten of fairy tales — but real ones, scary fragments from the vernacular, or the darker narratives of Anderson or Grimm, stories that lull us with a charming plot or a tone of wry bemusement and then neatly

administer a series of nasty, chilling little shocks. At the center of "Poet and Dancer" are two princesses in a tower: a plain, stolid, pathologically loyal young woman named Angel, and her pretty, seductive, willful and pathologically destructive cousin, Lara. The first time Angel meets Lara, she becomes fixated on her, rather like a duckling mistaking the first kind of (unkind) face it sees for its mother. Angel's own mother is fitful and disreputable in the extreme, at one moment wholly devoted, the next instant, simply not there. Here, as in much of Ruth Jhabvala's fiction, the most common — and most grievous — sin is a giddy, damaging and painfully unattractive self-involvement: "Even when she did nothing and went nowhere, Lara gave an impression of intense activity. Prob-

ably this was due to her very active mind, which was always churning around new plans, or fragments of plans. These almost invariably had to do with herself. On the rare occasions when she thought about anyone else, it was always to brood negatively on that person's character." As if in compensation, Angel's devotion to others is steadfast. Her desire to be by Lara's side is unwavering and obsessive; it survives the damage wrought by Lara's love affair with Angel's father and by the worsening mental derangement that creates a sort of maelstrom in which the family — and Angel herself — is eventually swallowed, and lost. The tone of the novel is so civilized, so humorous and ironic that one keeps being stunned by glimpses of how dark its vision is —

particularly its vision of the family and of love. Francine Prose, whose most recent novel is "Primitive People," wrote this for The Washington Post. Solution to Puzzle of Feb. 27-28

Large advertisement for AT&T USA Direct Service, featuring a globe and the slogan 'Speed up the approval process.' Includes a list of international numbers and the AT&T logo.